COMPANY REGISTRATION NUMBER 4046884

WINCAN EUROPE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2007



DAUMAN & CO LIMITED
Chartered Accountants & Registered Auditors
9 Station Parade
Uxbridge Road
Ealing Common
London W5 3LD

WINCAN EUROPE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

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WINCAN EUROPE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2007

PRINCIPAL ACTIVITIES
The principal activity of the company during the year was the distribution and support of software products

DIRECTORS
The directors who served the company during the year were as follows

Paul Woodhouse
Alessandro Caldara

DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR
A resolution to re-appoint Dauman & Co Limited as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

WINCAN EUROPE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
Unit 10
Woking Business Park
Albert Drive
Woking
Surrey GU21 5JY

Signed by order of the directors

Company Secretary

Approved by the directors on 11.7.08

WINCAN EUROPE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WINCAN EUROPE LIMITED

YEAR ENDED 31 DECEMBER 2007

We have audited the financial statements of Wincan Europe Limited for the year ended 31 December 2007, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on page 7

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985 Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

WINCAN EUROPE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WINCAN EUROPE LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2007

OPINION
In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Dauman and Co Ltd

DAUMAN & CO LIMITED
Chartered Accountants
& Registered Auditors

9 Station Parade
Uxbridge Road
Ealing Common
London W5 3LD

11.7.08

WINCAN EUROPE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER		**1,032,350**	816,880
Cost of sales		**767,402**	599,624
GROSS PROFIT		**264,948**	217,256
Administrative expenses		**190,110**	179,774
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**74,838**	37,482
Tax on profit on ordinary activities	3	**13,699**	6,950
PROFIT FOR THE FINANCIAL YEAR		**61,139**	30,532
Balance brought forward		**65,734**	35,202
Balance carried forward		**126,873**	65,734

WINCAN EUROPE LIMITED

BALANCE SHEET

31 DECEMBER 2007

	Note	2007 £	2007 £	2006 £	2006 £
FIXED ASSETS					
Tangible assets	4		**45,582**		53,867
CURRENT ASSETS					
Debtors	5	**102,986**		35,439	
Cash at bank		**28,910**		19,951	
		131,896		55,390	
CREDITORS: Amounts falling due within one year	6	**40,605**		33,523	
NET CURRENT ASSETS			**91,291**		21,867
TOTAL ASSETS LESS CURRENT LIABILITIES			**136,873**		75,734
CAPITAL AND RESERVES					
Called-up equity share capital	8		**10,000**		10,000
Profit and loss account			**126,873**		65,734
SHAREHOLDERS' FUNDS	9		**136,873**		75,734

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

These financial statements were approved by the directors and authorised for issue on 11.7.08, and are signed on their behalf by

PAUL WOODHOUSE

WINCAN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Motor Vehicles	-	25% per annum on reducing balance
Equipment	-	25% per annum on reducing balance

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

2. OPERATING PROFIT

Operating profit is stated after charging

	2007	2006
	£	£
Directors' emoluments	**37,200**	36,000
Depreciation of owned fixed assets	**15,193**	17,955
Loss on disposal of fixed assets	**1,328**	–
Auditor's fees	**3,200**	2,700

WINCAN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

3. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2007 £	2006 £
Current tax		
UK Corporation tax based on the results for the year	**13,699**	6,950
Total current tax	**13,699**	6,950

4. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Equipment £	Total £
COST			
At 1 January 2007	**62,318**	**39,156**	**101,474**
Additions	**29,806**	**4,930**	**34,736**
Disposals	**(48,466)**	**–**	**(48,466)**
At 31 December 2007	**43,658**	**44,086**	**87,744**
DEPRECIATION			
At 1 January 2007	**24,101**	**23,506**	**47,607**
Charge for the year	**10,048**	**5,145**	**15,193**
On disposals	**(20,638)**	**–**	**(20,638)**
At 31 December 2007	**13,511**	**28,651**	**42,162**
NET BOOK VALUE			
At 31 December 2007	**30,147**	**15,435**	**45,582**
At 31 December 2006	38,217	15,650	53,867

5. DEBTORS

	2007 £	2006 £
Trade debtors	**86,024**	35,439
Prepayments and accrued income	**16,962**	–
	102,986	35,439

WINCAN EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2007

6 CREDITORS. Amounts falling due within one year

	2007		2006	
	£	£	£	£
Trade creditors		**20,121**		7,525
Other creditors including taxation				
Corporation tax	**13,780**		7,103	
VAT	**419**		6,954	
Accruals and deferred income	**6,285**		11,941	
		20,484		25,998
		40,605		33,523

7. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of CD Lab AG, a company incorporated in Switzerland During the year the company purchased goods from CD Lab AG and its exclusive worldwide distributor Inspection Consult GmbH for the sum of £568,685(2006 £468,357) and at 31st December 2007 owed CD Lab AG £7,660(2006 nil) CD Lab AG is the ultimate holding company

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for smaller entities

8 SHARE CAPITAL

Authorised share capital.

	2007	2006
	£	£
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid.

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	**10,000**	**10,000**	10,000	10,000

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	**61,139**	30,532
Opening shareholders' funds	**75,734**	45,202
Closing shareholders' funds	**136,873**	75,734