

**Statement of financial position
at 31 December 2010**

	Note	2010 £	2009 £
Assets			
Non-current assets			
Property, plant and equipment	4	446,071	761,666
Intangible assets	5	171,875	209,375
		617,946	971,041
Current assets			
Inventories	7	108,428	120,524
Trade and other receivables	8	786,816	62,743
Cash and cash equivalents	9	29,575	129,391
		924,819	312,658
Total assets		1,542,765	1,283,699
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	10	1	1
Retained earnings	11	(1,364,082)	(1,450,630)
Total equity		(1,364,081)	(1,450,629)
Liabilities			
Non-current liabilities			
Trade and other payables	13	555,300	710,267
Current liabilities			
Trade and other payables	13	2,351,545	2,024,061
Current income tax liabilities		1	-
		2,351,546	2,024,061
Total liabilities		2,906,846	2,734,328
Total equity and liabilities		1,542,765	1,283,699

The notes on pages 11 to 28 are an integral part of these financial statements.

The financial statements on pages 7 to 28 were authorised for issue by the Board of Directors on 2011 and were signed on its behalf by:

G Kyratos
Director

Separation Technologies UK Limited

Statement of comprehensive income for the year ended 31 December 2010

	Note	2010 £	2009 £
Revenue	3	338,292	364,570
Cost of sales	15	(372,826)	(398,987)
Gross loss		(34,534)	(34,417)
Other operating income	14	434,840	-
Distribution costs	15	(526)	(13,942)
Administrative expenses	15	(312,532)	(305,071)
Operating profit/(loss)		87,248	(353,430)
Finance (costs)/income - net	18	(700)	1
Profit/(loss) before income tax		86,548	(353,429)
Income tax credit	19	-	1
Total comprehensive income/(loss)		86,548	(353,428)

All of the activities of the company in 2010 and 2009 relate to continuing operations.

There are no items of other comprehensive income recorded directly in equity.

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Separation Technologies UK Limited

Statement of changes in equity for the year ended 31 December 2010

	Attributable to owners of the parent		
	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2009	1	(1,097,202)	(1,097,201)
Changes in equity for 2009			
Total comprehensive loss for the year	-	(353,428)	(353,428)
Balance at 31 December 2009	1	(1,450,630)	(1,450,629)
Changes in equity for 2010			
Total comprehensive income for the year	-	86,548	86,548
Balance at 31 December 2010	1	(1,364,082)	(1,364,081)

The notes on pages 11 to 28 are an integral part of these financial statements.

Separation Technologies UK Limited

Statement of cashflows for the year ended 31 December 2010

	Note	2010 £	2009 £
Cash flows from operating activities			
Cash used in operations	21	(224,116)	(1,914)
Interest paid		(700)	-
Income tax paid		-	(6,638)
Net cash used in operating activities		(224,816)	(8,552)
Cash flows from investing activities			
Interest received		-	1
Net cash used in investing activities		-	1
Cash flows from financing activities			
Proceeds of loan from related party		125,000	-
Net cash generated from financing activities		125,000	-
Net decrease in cash and cash equivalents		(99,816)	(8,551)
Cash and cash equivalents at 1 January		129,391	137,942
Cash and cash equivalents at 31 December	9	29,575	129,391

The notes on pages 11 to 28 are an integral part of these financial statements.

21 Cash used in operations

	2010	2009
	£	£
Profit/(loss) before income tax	86,548	(353,429)
Adjustments for:		
Depreciation (note 4)	315,595	319,501
Amortisation (note 5)	37,500	37,500
Interest expense (note 18)	700	-
Interest income (note 18)	-	(1)
Changes in working capital:		
Inventories	12,096	(14,640)
Trade and other receivables	(724,072)	314,487
Trade and other payables	47,517	(305,332)
Cash used in continuing operations	(224,116)	(1,914)