

**Company's Registered Number 05035508
(England and Wales)**

ACCESS INDUSTRIES (UK) LIMITED

**Report and accounts
for the year ended**

28 FEBRUARY 2007



ACCESS INDUSTRIES (UK) LIMITED

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ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS AND ADVISERS

Directors	Daniel M Rosen Lincoln E Benet Thomas C Harding
Secretary	Thomas C Harding
Registered office	40 Queen Anne's Gate London SW1H 9AP
Bankers	Cater Allen Private Bank Abbey House 9 Nelson Street Bradford BD1 5AN
Auditors	Nexia Smith & Williamson Chartered Accountants 25 Moorgate London EC2R 6AY
Accountants and tax advisers	Smith & Williamson Chartered Accountants 25 Moorgate London EC2R 6AY
Company's registered number	05035508

ACCESS INDUSTRIES (UK) LIMITED

DIRECTORS' REPORT

The directors present their report and the accounts for the year ended 28 February 2007

Activities

The principal activity of the company continues to be the provision of advisory services to its parent company, Access Industries, Inc

Review of business

The directors consider the performance of the company during the year to be satisfactory

Results for the year and dividends

The profit for the year after taxation was £90,361 (2006 profit £23,192) The directors do not recommend the payment of a dividend (2006 £m)

Directors

The directors of the company who served during the year and those who were appointed since 28 February 2007 are

Daniel M Rosen
Lincoln E Benet (appointed 27 06 2007)
Thomas C Harding (appointed 27 06 2007)

Disclosure of information to the auditors

In the case of each person who was a director at the time this report was approved

- so far as that director was aware there was no relevant available information of which the company's auditors were unaware, and
- that director had taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors were aware of that information

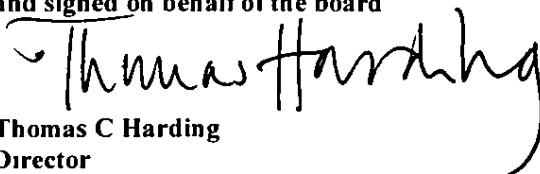
This confirmation is given and should be interpreted in accordance with the provision of s234ZA of the Companies Act 1985

Auditors

Nexia Smith & Williamson were appointed as auditors on 1 October 2007

A resolution to re-appoint the auditors, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting

**Approved by the board of directors
and signed on behalf of the board**


**Thomas C Harding
Director**

ACCESS INDUSTRIES (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, 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 accounts 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 which disclose with reasonable accuracy at any time the financial position for the company and to enable them to ensure that the accounts 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.

Nexia Smith & Williamson

Independent auditors' report to the shareholders of Access Industries (UK) Limited

We have audited the accounts of Access Industries (UK) Limited for the year ended 28 February 2007 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 14. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We read the information contained within the Directors' Report and consider whether it is consistent with the audited accounts. Our responsibilities do not extend to any other information.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We state in our report whether in our opinion the information given in the Directors' Report is consistent with the accounts. We also 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 the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2007 and of its profit for the year then ended
- the accounts have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the Directors' Report is consistent with the accounts

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors

Nexia Smith & Williamson

25 Moorgate
London
EC2R 6AY

Date

22.2.08

ACCESS INDUSTRIES (UK) LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 28 February 2007

	Notes	2007 £	2006 £
Turnover	1	2,205,273	577,000
Administrative expenses		(2,077,948)	(548,565)
Operating profit		127,325	28,435
Interest receivable and similar income			
Bank interest		2,184	1,097
Interest payable and similar charges	3	(422)	(383)
Profit on ordinary activities before taxation	4	129,087	29,149
Tax on profit on ordinary activities	5	(38,726)	(5,957)
Retained profit for the financial year	11	90,361	23,192

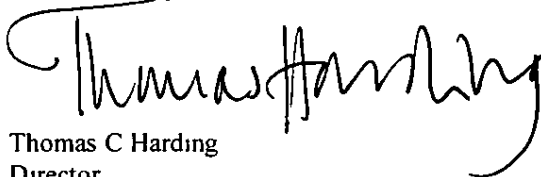
All of the company's operations are classed as continuing. There were no gains or losses in either year other than those included in the above profit and loss account.

ACCESS INDUSTRIES (UK) LIMITED

BALANCE SHEET as at 28 February 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	6	265,983	11,218
Current assets			
Debtors	7	70,863	33,680
Cash at bank and in hand		1,702	46,014
		72,565	79,694
Creditors: amounts falling due within one year	8	(159,666)	(33,865)
Net current (liabilities)/assets		(87,101)	45,829
Total assets less current liabilities		178,882	57,047
Creditors: falling due after more than one year	9	(60,063)	(28,589)
Net assets		118,819	28,458
Shareholders' equity			
Called up share capital	10	1	1
Profit and loss account	11	118,818	28,457
		118,819	28,458

The accounts were approved by the Board of Directors on *21 February 2008* and were signed on its behalf by


 Thomas C Harding
 Director

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE ACCOUNTS for the year ended 28 February 2007

1 Accounting policies

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice. A summary of the more important accounting policies adopted are described below.

Basis of accounting

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents a recharge to the company's parent company - Access Industries Inc, of the expenses incurred by the company, together with an uplift of 5%.

Fixed assets

Depreciation is provided on cost or revalued amounts in equal annual instalments over the estimated useful lives of the assets concerned. The following annual rates are used:

Fixed, fittings and communication equipment	- straight line basis over 4 years
Computer equipment	- straight line basis over 3 years
Motor vehicles	- straight line basis over 4 years

Deferred taxation

Deferred tax is provided for on a full provision basis on all timing differences which have arisen but not reversed at the balance sheet date. A deferred tax asset is not recognised to the extent that the transfer of economic benefit in future is uncertain. Any assets and liabilities recognised have not been discounted.

Leases

Assets held under finance leases are included in fixed assets and the capital element of the related lease commitment is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit over the period of the lease.

Rental costs under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the profit and loss account.

Cashflow statement

The accounts do not include a cashflow statement on the grounds that the company meets the definition of a small company under The Companies Act 1985.

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE ACCOUNTS for the year ended 28 February 2007 (continued)

2 Employee information

The average number of persons, including directors, employed by the company during the year was

	2007 Number	2006 Number
Administration	6	5
	<hr/>	<hr/>
	£	£
Staff costs for the above persons were		
Wages and salaries	1,389,684	220,674
Social security costs	189,896	24,928
	<hr/>	<hr/>
	1,579,580	245,602
	<hr/>	<hr/>

No directors received any emoluments during the year or fees in respect of services provided to the company

3 Interest payable and similar charges

	£	£
Bank loans and overdrafts	422	383
	<hr/>	<hr/>
	422	383
	<hr/>	<hr/>

4 Profit on ordinary activities before taxation is stated after charging

	£	£
Depreciation		
- owned assets	91,482	5,609
Auditors' remuneration		
- audit	3,500	-
- taxation services	2,650	-
	<hr/>	<hr/>

ACCESS INDUSTRIES (UK) LIMITED**NOTES TO THE ACCOUNTS for the year 28 February 2007 (continued)**

5 Tax on profit on ordinary activities	2007	2006
	£	£
(a) UK corporation tax at 30% (2006 30%)	38,726	5,957
	<hr/>	<hr/>
	38,726	5,957
	<hr/>	<hr/>
(b) Factors affecting tax charge for period		
	2007	2006
	£	£
Profit on ordinary activities before tax	129,087	29,149
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 30%)	38,726	8,745
Effects of		
Other adjustments	-	(2,788)
	<hr/>	<hr/>
Current tax charge for period	38,726	5,957
	<hr/>	<hr/>

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE ACCOUNTS for the year ended 28 February 2007 (continued)

6

Tangible fixed assets	Motor vehicles £	Fixtures, fittings and communication equipment £	Computer equipment £	Total £
Cost				
At 1 March 2006	16,000	6,437	-	22,437
Additions	-	279,301	66,946	346,247
At 28 February 2007	16,000	285,738	66,946	368,684
Depreciation				
At 1 March 2006	8,000	3,219	-	11,219
Charge for the year	4,000	70,561	16,921	91,482
At 28 February 2007	12,000	73,780	16,921	102,701
Net book value				
At 28 February 2007	4,000	211,958	50,025	265,983
At 28 February 2006	8,000	3,218	-	11,218

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE ACCOUNTS for the year ended 28 February 2007 (continued)

7	Debtors	2007	2006
		£	£
	<i>Amounts falling due within one year</i>		
	Other debtors	20,863	33,680
		<hr/>	<hr/>
	<i>Amounts falling due after more than one year</i>		
	Other debtors	50,000	-
		<hr/>	<hr/>
		70,863	33,680
		<hr/>	<hr/>
8	Creditors: amounts falling due within one year		
		£	£
	Trade creditors	-	3,879
	Corporation tax	38,726	-
	Other taxation and social security	-	13,653
	Other creditors	-	16,333
	Accruals	120,940	-
		<hr/>	<hr/>
		159,666	33,865
		<hr/>	<hr/>
9	Creditors: amounts falling due after more than one year		
		£	£
	Amounts due to parent company	60,063	28,589
		<hr/>	<hr/>
		60,063	28,589
		<hr/>	<hr/>

ACCESS INDUSTRIES (UK) LIMITED

NOTES TO THE ACCOUNTS for the year ended 28 February 2007 (continued)

	2007 £	2006 £
10	Called up share capital	
	Authorised	
	1,000	1,000
	1,000 ordinary shares of £1 each	
	Allotted, called up and fully paid	
	1	1
	1 ordinary shares of £1 each	
11	Reserves	
		Profit and loss account £
		28,457
		90,361
		118,818
		At 1 March 2006
		Profit for the financial year
		At 28 February 2007
12	Reconciliation of movements in Shareholders' funds	
	£	£
	90,361	23,192
	Profit for the financial year	
	28,458	5,266
	Opening shareholder's funds	
	118,819	28,458
	Closing shareholders' funds	

13 **Ultimate parent company and controlling party**

As at 28 February 2007, the ultimate parent company was Access Industries, Inc, a company incorporated in the State of New York. The ultimate controlling party is Leonard Blavatnik, who is the indirect beneficial owner of 100% of the share capital of Access Industries, Inc.

14 **Related parties**

At 28 February 2007, £60,063 (2006 £28,589) was owed to Access Industries, Inc by Access Industries (UK) Limited. During the year, £2,205,273 (2006 £577,000) was charged to Access Industries, Inc, in respect of services provided to that company.