

**TRANSNATIONAL MANAGEMENT ASSOCIATES
LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31 MARCH 2002**



TRANSNATIONAL MANAGEMENT ASSOCIATES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

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TRANSNATIONAL MANAGEMENT ASSOCIATES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31 March 2002 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Manor House
1 The Crescent
Leatherhead
Surrey
KT22 8DY

27th November 2002

Menzies
MENZIES
Chartered Accountants
& Registered Auditors

TRANSNATIONAL MANAGEMENT ASSOCIATES LIMITED

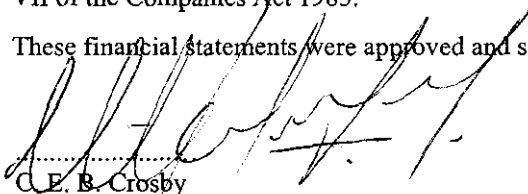
ABBREVIATED BALANCE SHEET

31 MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS	2		
Intangible assets		162,831	122,547
Tangible assets		12,250	18,992
Investments		-	701
		<u>175,081</u>	<u>142,240</u>
CURRENT ASSETS			
Debtors		290,420	195,207
Cash at bank and in hand		265	14,555
		<u>290,685</u>	<u>209,762</u>
CREDITORS: Amounts falling due within one year		<u>(363,942)</u>	<u>(313,154)</u>
NET CURRENT LIABILITIES		(73,257)	(103,392)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>101,824</u>	<u>38,848</u>
CREDITORS: Amounts falling due after more than one year		-	(167,662)
		<u>101,824</u>	<u>(128,814)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	385,303	216,887
Profit and Loss Account		(283,479)	(345,701)
SHAREHOLDERS' FUNDS/(DEFICIENCY)		<u>101,824</u>	<u>(128,814)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 24.11.02.


C.E. B. Crosby

The notes on pages 3 to 4 form part of these financial statements.

TRANSNATIONAL MANAGEMENT ASSOCIATES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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 March 2000).

Turnover

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

Amortisation

Amortisation 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:

Development expenditure	over 5 years
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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:

Computer equipment	20% straight line basis
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Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

TRANSNATIONAL MANAGEMENT ASSOCIATES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investments £	Total £
COST				
At 1 April 2001	249,721	42,481	701	292,903
Additions	80,364	1,382	—	81,746
Disposals	—	—	(701)	(701)
At 31 March 2002	<u>330,085</u>	<u>43,863</u>	<u>—</u>	<u>373,948</u>
DEPRECIATION				
At 1 April 2001	127,174	23,489	—	150,663
Charge for year	40,080	8,124	—	48,204
At 31 March 2002	<u>167,254</u>	<u>31,613</u>	<u>—</u>	<u>198,867</u>
NET BOOK VALUE				
At 31 March 2002	<u>162,831</u>	<u>12,250</u>	<u>—</u>	<u>175,081</u>
At 31 March 2001	<u>122,547</u>	<u>18,992</u>	<u>701</u>	<u>142,240</u>

3. RELATED PARTY TRANSACTIONS

The company was under the control of the director by virtue of his shareholding.

Included within other debtors is an amount of £5,000 owed to the company by the director.

During the year ended, the company was provided with services amounting to £176,372 from Transnational Management Associates Inc., a U.S. company in which the director has a controlling interest. These services have been provided at cost by Transnational Management Associates Inc.

4. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>250,000</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	216,887	216,887
Issue of ordinary shares	168,416	—
	<u>385,303</u>	<u>216,887</u>

During the year the company allotted 168,416 ordinary shares of £1 each at par.