

**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2003
for
TIMBERLAKE CONSULTANTS LIMITED**



TIMBERLAKE CONSULTANTS LIMITED

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for the Year Ended 31 December 2003**

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TIMBERLAKE CONSULTANTS LIMITED

**Company Information
for the Year Ended 31 December 2003**

DIRECTORS:

MRS A I TIMBERLAKE
MRS R ALMEREI
MISS T TIMBERLAKE
J M P C DE GUSMAO FIUZA
L P DE BARROS

SECRETARY:

A TIMBERLAKE

REGISTERED OFFICE:

Unit B3
Broomsleigh Business Park
Worsley Bridge Road
London
SE26 5BN

REGISTERED NUMBER:

3225632 (England and Wales)

AUDITORS:

Ashley Ross & Co
Chartered Accountants
Registered Auditors
1 Gatton Road
London
SW17 0EX

TIMBERLAKE CONSULTANTS LIMITED

Report of the Directors for the Year Ended 31 December 2003

The directors present their report with the financial statements of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of computer consultancy and sales of computer software.

DIVIDENDS

An interim dividend of £300 per share was paid on 17 December 2003. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2003 will be £33,900.

DIRECTORS

The directors during the year under review were:

MRS A I TIMBERLAKE

MRS R ALMEREI

MISS T TIMBERLAKE

J M P C DE GUSMAO FIUZA

L P DE BARROS

- resigned 31.12.03

The beneficial interests of the directors holding office on 31 December 2003 in the issued share capital of the company were as follows:

	31.12.03	1.1.03
Ordinary £1 shares		
MRS A I TIMBERLAKE	50	50
MRS R ALMEREI	20	20
MISS T TIMBERLAKE	20	20
J M P C DE GUSMAO FIUZA	20	20
L P DE BARROS	3	3

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

AUDITORS

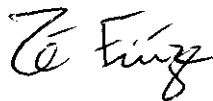
The auditors, Ashley Ross & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

TIMBERLAKE CONSULTANTS LIMITED

**Report of the Directors
for the Year Ended 31 December 2003**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



J M P C DE GUSMAO FIUZA - Director

14 July 2004

**Report of the Independent Auditors to the Shareholders of
TIMBERLAKE CONSULTANTS LIMITED**

We have audited the financial statements of TIMBERLAKE CONSULTANTS LIMITED for the year ended 31 December 2003 on pages five to twelve. These financial statements have been prepared under the historical cost convention and 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 on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

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

Basis of audit opinion

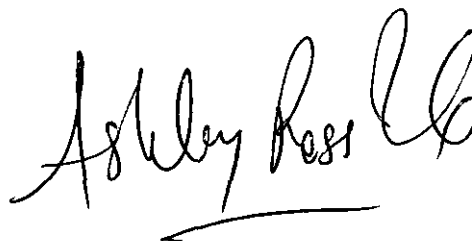
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ashley Ross & Co
Chartered Accountants
Registered Auditors
1 Gatton Road
London
SW17 0EX

A handwritten signature in black ink, appearing to read 'Ashley Ross', with a horizontal line underneath.

14 July 2004

TIMBERLAKE CONSULTANTS LIMITED

**Profit and Loss Account
for the Year Ended 31 December 2003**

Period 1.8.01 to 31.12.02			Year Ended 31.12.03
£		Notes	£
1,553,467	TURNOVER		1,544,524
1,087,593	Cost of sales		1,027,487
465,874	GROSS PROFIT		517,037
521,584	Administrative expenses		429,033
(55,710)			88,004
-	Other operating income		34,837
(55,710)	OPERATING PROFIT/(LOSS)	3	122,841
8,419	Interest receivable and similar income		8,422
(47,291)	PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		131,263
4,420	Tax on profit/(loss) on ordinary activities	4	19,697
(51,711)	PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		111,566
33,900	Dividends	5	33,900
(85,611)			77,666
360,337	Retained profit brought forward		274,726
<u>£274,726</u>	RETAINED PROFIT CARRIED FORWARD		<u>£352,392</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous period.

The notes form part of these financial statements

TIMBERLAKE CONSULTANTS LIMITED

**Balance Sheet
31 December 2003**

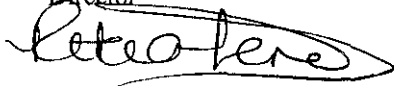
31.12.02			31.12.03	
£	£	Notes	£	£
		FIXED ASSETS:		
119,080		Tangible assets		111,638
28,870		Investments		39,688
<u>147,950</u>				<u>151,326</u>
		CURRENT ASSETS:		
	214,343	Debtors	265,662	
	127,366	Cash at bank and in hand	209,707	
	<u>341,709</u>		<u>475,369</u>	
	170,576	CREDITORS: Amounts falling due within one year	230,446	
<u>171,133</u>				<u>244,923</u>
		NET CURRENT ASSETS:		
319,083				<u>396,249</u>
		TOTAL ASSETS LESS CURRENT LIABILITIES:		
6,400		PROVISIONS FOR LIABILITIES AND CHARGES:		5,900
<u>£312,683</u>				<u>£390,349</u>
		CAPITAL AND RESERVES:		
113		Called up share capital		113
37,844		Share premium		37,844
274,726		Profit and loss account		352,392
<u>£312,683</u>		SHAREHOLDERS' FUNDS:		<u>£390,349</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



- Director



- Director

Approved by the Board on 14 July 2004

The notes form part of these financial statements

TIMBERLAKE CONSULTANTS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated at the balance sheet date into sterling at the rate of exchange of 1.5 for US\$ and Euro and 6 for Polish Zloty. Transactions in foreign currencies are translated into sterling at the rate of exchange as above for US\$, Euro and Polish Zloty. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	Year Ended 31.12.03 £	Period 1.8.01 to 31.12.02 £
Wages and salaries	192,098	261,687
Social security costs	19,239	24,139
Other pension costs	35,364	46,656
	<u>246,701</u>	<u>332,482</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.03	Period 1.8.01 to 31.12.02
Administration	<u>11</u>	<u>11</u>

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2003**

3. OPERATING PROFIT/(LOSS)

The operating profit (2002 - operating loss) is stated after charging:

	Year Ended 31.12.03 £	Period 1.8.01 to 31.12.02 £
Hire of plant and machinery	503	-
Depreciation - owned assets	16,587	18,476
Auditors' remuneration	7,500	10,150
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	114,423	161,250
	<u> </u>	<u> </u>

4. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31.12.03 £	Period 1.8.01 to 31.12.02 £
Current tax:		
UK corporation tax	28,984	-
Prior year refund	(8,787)	-
	<u> </u>	<u> </u>
Total current tax	20,197	-
Deferred taxation	(500)	4,420
	<u> </u>	<u> </u>
Tax on profit/(loss) on ordinary activities	19,697	4,420
	<u> </u>	<u> </u>

UK corporation tax has been charged at 19%

In the opinion of the directors the company is a Close company within the meaning of Income & Corporation Taxes Act 1988.

5. DIVIDENDS

	Year Ended 31.12.03 £	Period 1.8.01 to 31.12.02 £
Equity shares:		
Interim - share type 1	33,900	33,900
	<u> </u>	<u> </u>

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2003**

6. TANGIBLE FIXED ASSETS

	Totals	Freehold property	Improvements to property
	£	£	£
COST:			
At 1 January 2003	175,666	70,449	3,209
Additions	9,146	-	-
At 31 December 2003	<u>184,812</u>	<u>70,449</u>	<u>3,209</u>
DEPRECIATION:			
At 1 January 2003	56,587	5,635	257
Charge for year	16,587	1,409	64
At 31 December 2003	<u>73,174</u>	<u>7,044</u>	<u>321</u>
NET BOOK VALUE:			
At 31 December 2003	<u>111,638</u>	<u>63,405</u>	<u>2,888</u>
At 31 December 2002	<u>119,080</u>	<u>64,814</u>	<u>2,953</u>
	Fixtures and fittings	Motor vehicles	Computer equipment
	£	£	£
COST:			
At 1 January 2003	23,294	31,455	47,259
Additions	2,772	-	6,374
At 31 December 2003	<u>26,066</u>	<u>31,455</u>	<u>53,633</u>
DEPRECIATION:			
At 1 January 2003	16,116	16,271	18,308
Charge for year	2,487	3,796	8,831
At 31 December 2003	<u>18,603</u>	<u>20,067</u>	<u>27,139</u>
NET BOOK VALUE:			
At 31 December 2003	<u>7,463</u>	<u>11,388</u>	<u>26,494</u>
At 31 December 2002	<u>7,178</u>	<u>15,184</u>	<u>28,951</u>

TIMBERLAKE CONSULTANTS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2003

7. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2003	28,870
Additions	10,818
At 31 December 2003	39,688
NET BOOK VALUE:	
At 31 December 2003	39,688
At 31 December 2002	28,870
	31.12.03
	£
Unlisted investments	39,688
	31.12.02
	£
	28,870

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

TIMBERLAKE CONSULTORES,LDA

Country of incorporation: PORTUGAL

Nature of business: sales of computer software

	%
Class of shares:	holding
Ordinary	100.00

The company has taken exemption from preparing group accounts for the accounting period as it qualifies as a small group -S.249 Companies Act 1985.

Timberlake Consulting GmbH

Country of incorporation: GERMANY

Nature of business: Sale of computer software

	%
Class of shares:	holding
Ordinary	60.00

The company has taken exemption from preparing group accounts for the accounting period as it qualifies as a small group-S.249 Companies Act 1985.

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2003**

8. DEBTORS

	31.12.03	31.12.02
	£	£
<i>Amounts falling due within one year:</i>		
Trade debtors	171,780	123,049
Corporation tax	8,787	-
Amount due from group cos.	10,878	1,302
	<u>191,445</u>	<u>124,351</u>
 <i>Amounts falling due after more than one year:</i>		
Loans	34,657	45,344
Loans due from group cos.	39,560	44,648
	<u>74,217</u>	<u>89,992</u>
 Aggregate amounts	<u>265,662</u>	<u>214,343</u>

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.03	31.12.02
	£	£
Trade creditors	151,610	127,796
Directors current accounts	5,785	9,679
V.A.T.	37,223	20,876
Taxation	28,984	-
Accrued expenses	6,844	12,225
	<u>230,446</u>	<u>170,576</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

	31.12.03	31.12.02
	£	£
Deferred taxation	<u>5,900</u>	<u>6,400</u>
	Deferred	
	tax	
	£	
Balance at 1 January 2003	6,400	
Release of provision	<u>(500)</u>	
Balance at 31 December 2003	<u>5,900</u>	

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2003**

11. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.03	31.12.02
		£1	£	£
10,000	Ordinary		10,000	10,000

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.03	31.12.02
		£1	£	£
113	Ordinary		113	113

12. SHARE PREMIUM

	31.12.03	31.12.02
	£	£
Cash share issue	37,844	37,844

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.03	31.12.02
	£	£
Profit/(Loss) for the financial year	111,566	(51,711)
Dividends	(33,900)	(33,900)
	77,666	(85,611)
Share capital	-	3
Cash share issue	-	10,571
	77,666	(75,037)
Net addition/(reduction) to shareholders' funds	312,683	387,720
Opening shareholders' funds	390,349	312,683
Closing shareholders' funds	390,349	312,683
Equity interests	390,349	312,683