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**Report of the Directors and
Unaudited Financial Statements
for the Year Ended 31 December 2004
for
TIMBERLAKE CONSULTANTS LIMITED**



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TIMBERLAKE CONSULTANTS LIMITED

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for the Year Ended 31 December 2004**

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TIMBERLAKE CONSULTANTS LIMITED

**Company Information
for the Year Ended 31 December 2004**

DIRECTORS: MRS A I TIMBERLAKE
MRS R AL MEREI
MISS T TIMBERLAKE
J M P C DE GUSMAO FIUZA

SECRETARY: A TIMBERLAKE

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

REGISTERED NUMBER: 3225632 (England and Wales)

ACCOUNTANTS: Ashley Ross & Co
Chartered Accountants
1 Gatton Road
London
SW17 0EX

TIMBERLAKE CONSULTANTS LIMITED

Report of the Directors for the Year Ended 31 December 2004

The directors present their report with the financial statements of the company for the year ended 31 December 2004.

PRINCIPAL ACTIVITY

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

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

An interim dividend of £400 per share was paid on 9 November 2004. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2004 will be £45,200.

DIRECTORS

The directors during the year under review were:

MRS A I TIMBERLAKE
MRS R AL MEREI
MISS T TIMBERLAKE
J M P C DE GUSMAO FIUZA

The beneficial interests of the directors holding office on 31 December 2004 in the issued share capital of the company were as follows:

	31.12.04	1.1.04
Ordinary £1 shares		
MRS A I TIMBERLAKE	50	50
MRS R AL MEREI	21	20
MISS T TIMBERLAKE	21	20
J M P C DE GUSMAO FIUZA	21	20

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

10 August 2005

TIMBERLAKE CONSULTANTS LIMITED

**Profit and Loss Account
for the Year Ended 31 December 2004**

31.12.03			31.12.04
£		Notes	£
1,544,524	TURNOVER		1,610,102
1,027,487	Cost of sales		1,042,503
517,037	GROSS PROFIT		567,599
429,033	Administrative expenses		459,571
88,004			108,028
34,837	Other operating income		59,201
122,841	OPERATING PROFIT	3	167,229
8,422	Interest receivable and similar income		8,184
131,263			175,413
-	Amounts written off investments	4	10,818
131,263	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		164,595
19,697	Tax on profit on ordinary activities	5	33,797
111,566	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		130,798
33,900	Dividends	6	45,200
77,666			85,598
274,726	Retained profit brought forward		352,392
<u>£352,392</u>	RETAINED PROFIT CARRIED FORWARD		<u>£437,990</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

TIMBERLAKE CONSULTANTS LIMITED

**Balance Sheet
31 December 2004**

31.12.03			31.12.04	
£	£	Notes	£	£
		FIXED ASSETS:		
111,638		Tangible assets		111,979
39,688		Investments		28,870
151,326				140,849
		CURRENT ASSETS:		
	265,662	Debtors	205,352	
	209,707	Cash at bank and in hand	318,778	
	475,369		524,130	
		CREDITORS: Amounts falling		
	230,446	due within one year	184,432	
244,923		NET CURRENT ASSETS:		339,698
396,249		TOTAL ASSETS LESS CURRENT		
		LIABILITIES:		480,547
5,900		PROVISIONS FOR LIABILITIES		
		AND CHARGES:	11	4,600
£390,349				£475,947
		CAPITAL AND RESERVES:		
113		Called up share capital	12	113
37,844		Share premium	13	37,844
352,392		Profit and loss account		437,990
£390,349		SHAREHOLDERS' FUNDS:	14	£475,947

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

TIMBERLAKE CONSULTANTS LIMITED

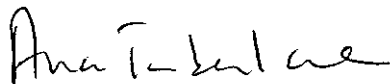
**Balance Sheet
31 December 2004**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



- Director



- Director

Approved by the Board on 10 August 2005

The notes form part of these financial statements

TIMBERLAKE CONSULTANTS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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

	31.12.04	31.12.03
	£	£
Wages and salaries	184,881	192,098
Social security costs	16,912	19,239
Other pension costs	26,705	35,364
	<u>228,498</u>	<u>246,701</u>

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

	31.12.04	31.12.03
Administration	<u>11</u>	<u>11</u>

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2004**

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.04	31.12.03
	£	£
Depreciation - owned assets	17,192	16,587
Loss on disposal of fixed assets	1,095	-
Auditors' remuneration	-	7,500
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	<u>85,000</u>	<u>114,423</u>

4. AMOUNTS WRITTEN OFF INVESTMENTS

	31.12.04	31.12.03
	£	£
Loss on investment	<u>10,818</u>	<u>-</u>

5. TAXATION

Analysis of the tax charge

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

	31.12.04	31.12.03
	£	£
Current tax:		
UK corporation tax	35,097	28,984
Prior year refund	-	(8,787)
	<u> </u>	<u> </u>
Total current tax	35,097	20,197
Deferred taxation	<u>(1,300)</u>	<u>(500)</u>
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	<u>33,797</u>	<u>19,697</u>

UK corporation tax has been charged at 19% (2003 - 19%).

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2004**

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.04 £	31.12.03 £
Profit on ordinary activities before tax	<u>164,595</u>	<u>131,263</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003 - 19%)	31,273	24,940
Effects of:		
Expenses disallowed for tax	2,264	3,121
Difference between capital allowances and depreciation	1,560	923
Previous year's refund	-	(8,787)
Current tax charge	<u>35,097</u>	<u>20,197</u>

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

6. DIVIDENDS

	31.12.04 £	31.12.03 £
Interim - share type 1	<u>45,200</u>	<u>33,900</u>

7. TANGIBLE FIXED ASSETS

	Totals	Freehold property	Improvements to property
	£	£	£
COST:			
At 1 January 2004	184,812	70,449	3,209
Additions	24,523	-	-
Disposals	<u>(14,605)</u>	<u>-</u>	<u>-</u>
At 31 December 2004	<u>194,730</u>	<u>70,449</u>	<u>3,209</u>
DEPRECIATION:			
At 1 January 2004	73,174	7,044	321
Charge for year	17,192	1,409	64
Eliminated on disposals	<u>(7,615)</u>	<u>-</u>	<u>-</u>
At 31 December 2004	<u>82,751</u>	<u>8,453</u>	<u>385</u>
NET BOOK VALUE:			
At 31 December 2004	<u>111,979</u>	<u>61,996</u>	<u>2,824</u>
At 31 December 2003	<u>111,638</u>	<u>63,405</u>	<u>2,888</u>

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2004**

7. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings	Motor vehicles	Computer equipment
	£	£	£
COST:			
At 1 January 2004	26,066	31,455	53,633
Additions	3,815	18,346	2,362
Disposals	-	(14,605)	-
At 31 December 2004	29,881	35,196	55,995
DEPRECIATION:			
At 1 January 2004	18,603	20,067	27,139
Charge for year	2,819	5,686	7,214
Eliminated on disposals	-	(7,615)	-
At 31 December 2004	21,422	18,138	34,353
NET BOOK VALUE:			
At 31 December 2004	8,459	17,058	21,642
At 31 December 2003	7,463	11,388	26,494

8. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2004	39,688
Disposals	(10,818)
At 31 December 2004	28,870
NET BOOK VALUE:	
At 31 December 2004	28,870
At 31 December 2003	39,688
	31.12.04
	£
Unlisted investments	28,870
	31.12.03
	£
	39,688

TIMBERLAKE CONSULTANTS LIMITED

Notes to the Financial Statements for the Year Ended 31 December 2004

8. FIXED ASSET INVESTMENTS - continued

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:	%
Ordinary	holding 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.

9. DEBTORS

	31.12.04 £	31.12.03 £
Amounts falling due within one year:		
Trade debtors	135,348	171,780
Corporation tax	-	8,787
Amount due from group cos.	1,335	10,878
	<u>136,683</u>	<u>191,445</u>
Amounts falling due after more than one year:		
Loans	34,393	34,657
Loans due from group cos.	34,276	39,560
	<u>68,669</u>	<u>74,217</u>
Aggregate amounts	<u>205,352</u>	<u>265,662</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.04 £	31.12.03 £
Trade creditors	118,584	151,610
Directors current accounts	-	5,785
V.A.T.	24,751	37,223
Taxation	35,097	28,984
Accrued expenses	6,000	6,844
	<u>184,432</u>	<u>230,446</u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

	31.12.04 £	31.12.03 £
Deferred taxation	4,600	5,900
	<u>4,600</u>	<u>5,900</u>

TIMBERLAKE CONSULTANTS LIMITED

**Notes to the Financial Statements
for the Year Ended 31 December 2004**

11. PROVISIONS FOR LIABILITIES AND CHARGES - continued

	Deferred tax £
Balance at 1 January 2004	5,900
Release of provision	<u>(1,300)</u>
Balance at 31 December 2004	<u><u>4,600</u></u>

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.04	31.12.03
		£1	£	£
10,000	Ordinary		<u>10,000</u>	<u>10,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.04	31.12.03
		£1	£	£
113	Ordinary		<u>113</u>	<u>113</u>

13. SHARE PREMIUM

	31.12.04	31.12.03
	£	£
Cash share issue	<u>37,844</u>	<u>37,844</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.04	31.12.03
	£	£
Profit for the financial year	130,798	111,566
Dividends	(45,200)	(33,900)
Share capital		
Cash share issue		
Net addition to shareholders' funds	<u>85,598</u>	<u>77,666</u>
Opening shareholders' funds	<u>390,349</u>	<u>312,683</u>
Closing shareholders' funds	<u><u>475,947</u></u>	<u><u>390,349</u></u>
 Equity interests	 <u><u>475,947</u></u>	 <u><u>390,349</u></u>

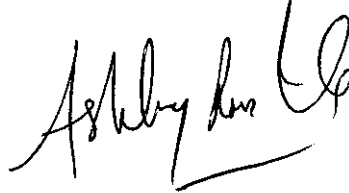
TIMBERLAKE CONSULTANTS LIMITED

**Report of the Accountants to the Directors of
TIMBERLAKE CONSULTANTS LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2004 set out on pages three to eleven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

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

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

10 August 2005

TIMBERLAKE CONSULTANTS LIMITED

Trading and Profit and Loss Account for the Year Ended 31 December 2004

31.12.03			31.12.04	
£	£		£	£
		Income:		
	1,334,882	Software-sales	1,312,863	
	90,825	Manuals-sales	83,387	
	118,817	Training and consultancy	180,059	
1,544,524				1,576,309
		Cost of sales:		
	75,035	Subcontract-consulting	71,300	
	753,481	Software	683,988	
	25,040	Manuals	25,388	
	30,109	Courses,training etc.	42,179	
	108,709	Royalties	154,043	
	35,113	Agency fees	67,205	
1,027,487				1,044,103
517,037		GROSS PROFIT		532,206
		Other income:		
	1,958	Credit card surcharge	2,612	
	182	Interest on C.T.	357	
	32,697	Foreign exchange difference	56,232	
	3,946	Deposit account interest	4,741	
	4,476	Loan interest receivable	3,443	
43,259				67,385
560,296				599,591
		Expenditure:		
	114,423	Directors' remuneration	85,000	
	19,239	Social security	16,912	
	77,675	Salaries	99,881	
	35,364	Pensions	26,705	
	8,779	Telephone & telex	8,347	
	9,686	Post & freight	12,935	
	46,088	Motor and travel	40,362	
	503	Hire of equipment	-	
	3,170	Repairs & maintenance	3,236	
	4,993	Sundries & staff welfare	3,735	
	7,500	Auditors remuneration	7,400	
	10,888	Legal & professional fees	5,349	
	26,636	Printing & stationery	26,090	
	6,610	Entertainment	6,567	
	-	Bad debts	9,555	
	3,137	Rates & service charges	3,222	
	20,782	Insurances	18,177	
	669	Light & heat	2,670	
	404	Cleaning	2,395	
	10,779	Adverts subs & publications	17,491	
407,325				396,029
152,971		Carried forward		203,562

This page does not form part of the statutory financial statements

TIMBERLAKE CONSULTANTS LIMITED

**Trading and Profit and Loss Account
for the Year Ended 31 December 2004**

31.12.03			31.12.04	
£	£		£	£
152,971		Brought forward		203,562
		Finance costs:		
5,121		Bank charges		9,862
147,850				193,700
		Depreciation:		
	1,409	Freehold property	1,409	
	64	Improvements to property	64	
	2,487	Fixtures & fittings	2,819	
	3,796	Motor vehicles	5,686	
	8,831	Computer equipment	7,214	
16,587				17,192
131,263				176,508
		Loss on disposal of fixed assets:		
-		Motor vehicles		1,095
131,263				175,413
		Amount written off investments:		
-		Loss on investment		10,818
£131,263		NET PROFIT		£164,595