

DAVID WIDGER ASSOCIATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

Company No. 3372065 (England and Wales)



DAVID WIDGER ASSOCIATES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and the financial statements for the year ended 31 March 2005.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of information technology consultancy services.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:-

| | Number of Shares | |
|---------------|------------------|------|
| | 2005 | 2004 |
| Mrs S Widger | 44 | 44 |
| Mr E D Widger | 11 | 11 |
| | === | === |

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 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.

This report was approved by the board on 1st December 2005 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors,

Susana Widger

MRS S WIDGER
SECRETARY

Registered Office:
42 Craigweil Avenue
Radlett
Herts WD7 7EY

ACCOUNTANTS' REPORT TO THE DIRECTORS OF
DAVID WIDGER ASSOCIATES LIMITED

In accordance with instructions given to us, we have prepared without carrying out an audit, the accounts on pages 2 to 7 from the accounting records of David Widger Associates Limited and from information and explanations given to us.

Hattersley & Co.
42 Craigweil Avenue
Radlett
Herts WD7 7EY

November 2005

DAVID WIDGER ASSOCIATES LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 MARCH 2005

| | Notes | 2005 | 2004 |
|--|-------|---------|---------|
| TURNOVER | 1.2 | £46,415 | £46,063 |
| Administrative expenses | | 22,392 | 21,455 |
| | | <hr/> | <hr/> |
| OPERATING PROFIT | 2 | 24,023 | 24,608 |
| Loss on disposal of fixed assets | | - | 159 |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST | | 24,023 | 24,449 |
| Interest receivable | | 436 | 165 |
| Interest payable | | - | - |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 24,459 | 24,614 |
| TAX ON PROFIT ON ORDINARY ACTIVITIES | 3 | 3,472 | 3,484 |
| | | <hr/> | <hr/> |
| PROFIT FOR THE YEAR | | 20,987 | 21,130 |
| DIVIDENDS | 4 | - | 18,750 |
| | | <hr/> | <hr/> |
| RETAINED PROFIT FOR THE YEAR | | £20,987 | £ 2,380 |
| | | ===== | ===== |

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than those included in the profit and loss account.

The profit on ordinary activities before taxation and the retained profit have been calculated on the historical cost basis.

The notes on pages 4 to 6 form part of these financial statements.

DAVID WIDGER ASSOCIATES LIMITED
BALANCE SHEET
AS AT 31 MARCH 2005

| | Notes | 2005 | 2004 |
|---|-------|---------|---------|
| FIXED ASSETS | | | |
| Tangible Assets | 5 | £ 114 | £ 507 |
| CURRENT ASSETS | | | |
| Debtors | 6 | £ 9,038 | £11,242 |
| Cash at bank and in hand | | 27,634 | 23,826 |
| | | <hr/> | <hr/> |
| | | 36,672 | 35,068 |
| CREDITORS: Amounts falling due within one year | 7 | 6,457 | 26,198 |
| | | <hr/> | <hr/> |
| NET CURRENT ASSETS | | 30,215 | 8,870 |
| | | <hr/> | <hr/> |
| | | 30,329 | 9,377 |
| Provision for liabilities and charges | 8 | - | 35 |
| | | <hr/> | <hr/> |
| | | £30,329 | £ 9,342 |
| | | ===== | ===== |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | £ 75 | £ 75 |
| Profit and loss account | 10 | 30,254 | 9,267 |
| | | <hr/> | <hr/> |
| SHAREHOLDERS' FUNDS | 11 | £30,329 | £ 9,342 |
| | | ===== | ===== |

For the year ended 31 March 2005, the company was entitled to exemption from audit under Section 249A(1) of the Companies Act 1985.

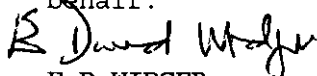
Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act.

The directors acknowledge their responsibility for:-

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

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

Approved by the board of directors on 1st December 2005 and signed on its behalf.


E D WIDGER
DIRECTOR

The notes on pages 4 to 6 form part of these financial statements.

DAVID WIDGER ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover comprises the invoiced value of services supplied by the company. All of the turnover arose in the United Kingdom.

1.3 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives on the following basis:-

Office Equipment - 20% straight line basis.

1.4 Deferred Taxation

Provision is made for taxation deferred on the incremental liability approach in respect of all timing differences between the incidence of income and expenditure for taxation and accounts purposes that have originated but not reversed at the balance sheet date. Provision is made for future taxation on gains on revalued assets only where a binding commitment to dispose of the asset exists at the year end.

2. OPERATING PROFIT

| | 2005 | 2004 |
|---------------------------------------|--------|--------|
| This is stated after charging:- | | |
| Depreciation of tangible fixed assets | | |
| - owned by the company | £ 393 | £ 396 |
| Directors' remuneration | 10,320 | 10,320 |
| | ===== | ===== |

There are no directors for whom retirement benefits are accruing under a money purchase pension scheme.

3. TAXATION

| | 2005 | 2004 |
|---------------------------------|--------|--------|
| UK Current Year Taxation: | | |
| UK Corporation Tax at 19% | £3,507 | £3,533 |
| Transfer (from) to deferred tax | (35) | (49) |
| | ----- | ----- |
| | 3,472 | 3,484 |
| Prior Years: | | |
| UK Corporation Tax | - | - |
| | ----- | ----- |
| | £3,472 | £3,484 |
| | ===== | ===== |

DAVID WIDGER ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

| | | | |
|----|---|------------------|---------|
| 4. | DIVIDENDS | 2005 | 2004 |
| | Proposed final £- per share (2004 £250) | - | 18,750 |
| | | ===== | ===== |
| 5. | TANGIBLE FIXED ASSETS | Office Equipment | |
| | COST | | |
| | At 1 April 2004 and 31 March 2005 | | £ 3,684 |
| | | | ===== |
| | DEPRECIATION | | |
| | At 1 April 2004 | | £ 3,177 |
| | Charge for the year | | 393 |
| | | | ----- |
| | At 31 March 2005 | | 3,570 |
| | | | ===== |
| | NET BOOK VALUES | | |
| | At 31 March 2005 | | £ 114 |
| | | | ===== |
| | At 31 March 2004 | | £ 507 |
| | | | ===== |
| 6. | DEBTORS | 2005 | 2004 |
| | Due Within One Year | | |
| | Trade Debtors | £ 9,031 | 11,242 |
| | Other Debtors | 7 | - |
| | | ----- | ----- |
| | | £ 9,038 | £11,242 |
| | | ===== | ===== |
| 7. | CREDITORS | 2005 | 2004 |
| | Amounts Falling due within one year | | |
| | Corporation Tax | £ 3,507 | £ 3,533 |
| | Other taxation and social security | 263 | 263 |
| | Other creditors | - | 956 |
| | Accruals and deferred income | 875 | 750 |
| | Amount due to the directors | 1,812 | 1,946 |
| | Proposed dividends | - | 18,750 |
| | | ----- | ----- |
| | | £ 6,457 | £26,198 |
| | | ===== | ===== |
| 8 | DEFERRED TAXATION | 2005 | 2004 |
| | The movement on the deferred taxation | | |
| | Provision was as follows: | | |
| | At 1 April 2004 | £ 35 | £ 84 |
| | Transfer to profit and loss account | (35) | (49) |
| | | ----- | ----- |
| | At 31 March 2005 | £ - | £ 35 |
| | | ===== | ===== |

DAVID WIDGER ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

| | | | |
|----|--|-------------|-------------|
| 9. | CALLED UP SHARE CAPITAL | 2005 | 2004 |
| | Authorised | | |
| | 1,000 ordinary shares of £1 each | £ 1,000 | £ 1,000 |
| | | ===== | ===== |
| | Allotted | | |
| | 75 ordinary shares of £1 each fully paid | £ 75 | £ 75 |
| | | ===== | ===== |

| | | | |
|-----|--------------------------------|-------------|-------------|
| 10. | PROFIT AND LOSS ACCOUNT | 2005 | 2004 |
| | Balance at 1 April 2004 | £ 9,267 | £ 6,887 |
| | Profit retained for the year | 20,987 | 2,380 |
| | | ----- | ----- |
| | Balance at 31 March 2005 | £30,254 | £ 9,267 |
| | | ===== | ===== |

| | | | |
|-----|---|-------------|-------------|
| 11. | RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS | 2005 | 2004 |
| | Profit for the year | £20,987 | £21,130 |
| | Dividends | - | 18,750 |
| | | ----- | ----- |
| | | 20,987 | 2,380 |
| | Shareholders funds at 1 April 2004 | 9,342 | 6,962 |
| | | ----- | ----- |
| | Shareholders funds at 31 March 2005 | £30,329 | 9,342 |
| | | ===== | ===== |

12. **RELATED PARTY TRANSACTIONS**

- (i) The company is under the control of Mr E D Widger and Mrs S Widger who together own 73% of the issued shares.
- (ii) The amount due to the directors as set out in Note 7 above is comprised as follows:-

| | | |
|---------------|-------------|-------------|
| | 2005 | 2004 |
| Mr E D Widger | £ 906 | £ 973 |
| Mrs S Widger | £ 906 | 973 |
| | ===== | ===== |

DAVID WIDGER ASSOCIATES LIMITED
 PROFIT AND LOSS ACCOUNTS
 FOR THE YEAR ENDED 31 MARCH 2005

| | 2005 | 2004 |
|---|------------------|------------------|
| TURNOVER | £46,415 | £46,063 |
| Interest Receivable | 436 | 165 |
| | <hr/> | <hr/> |
| | 46,851 | 46,228 |
| LESS : ADMINISTRATIVE EXPENSES | | |
| Directors Remuneration | £10,320 | £10,320 |
| Salaries and National Insurance | 2,390 | 2,403 |
| Postage and Stationery | 191 | 212 |
| Insurance | 587 | 245 |
| Telephone | 90 | 80 |
| Bank Charges | 58 | 67 |
| Motor and Travelling Expenses | 6,425 | 6,207 |
| Use of home as office | 350 | 300 |
| Accountancy | 1,220 | 1,075 |
| Sundry | 368 | 150 |
| Depreciation of equipment | 393 | 396 |
| Loss on disposal of fixed assets | - | 159 |
| | <hr/> | <hr/> |
| | 22,392 | 21,614 |
| | <hr/> | <hr/> |
| NET PROFIT | £24,459 ===== | £24,614 ===== |