

QUIXA LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 December 2004



QUIXA LIMITED**Company Information for the year ended 31 December 2004**

DIRECTORS	C Williams (Resigned 2004) J Elliott A Hasoon (Resigned 2004) S Williams
SECRETARY	S Williams (Resigned 2004) A Harris
REGISTERED OFFICE	Unit 161, Lee Valley Technopark Ashley Road London N17 9LN
REGISTERED NUMBER	04002722 (England & Wales)
BANKERS	Bank of Scotland

QUIXA LIMITED**Directors' Report for the year ended 31 December 2004**

The Directors submit their Report and the accounts of the company for the year ended 31 December 2004...

PRINCIPAL ACTIVITY

The principal activity of the Company during the year under review was that of the provision of information technology services.

DIRECTORS

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

	2004	2003
J Elliott	7,545,057	1,029,244
A Hasoon	0	1,581,947
S Williams	0	585,452

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial period 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 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 company has decided not to appoint auditors under Section 246 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:

S Williams – Director

QUIXA LIMITED**Profit and Loss Account for the year ended 31 December 2004**

	Notes	12 MONTHS to 31.12.04 £	12 MONTHS to 31.12.03 £
Turnover		65,648	30,051
Cost of Sales		<u>(37,864)</u>	<u>(9,096)</u>
Gross Profit		27,784	20,955
Administration expenses		(106)	(2,134)
Operating Profit / (Loss)		<u>27,679</u>	<u>18,821</u>
Interest receivable and similar income		86	280
Amounts written off investments		0	(480,302)
Interest payable and similar charges		0	0
Profit/(Loss) on ordinary activities before taxation		<u>27,764</u>	<u>(461,201)</u>
Taxation		0	0
Profit/(Loss) for the financial period		<u>27,764</u>	<u>(461,201)</u>
Dividends		<u>0</u>	<u>0</u>
RETAINED PROFIT / (LOSS) FOR YEAR		27,764	(461,201)
RETAINED PROFIT b/f		(3,435,651)	(2,974,451)
RETAINED PROFIT c/f		(3,407,887)	(3,435,651)

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 profit or loss for the current and previous years.

QUIXA LIMITED
Balance Sheet as at 31 December 2004

	NOTES	12 MONTHS to 31.12.04		12 MONTHS to 31.12.03	
		£	£	£	£
FIXED ASSETS					
Investments			65,000		65,000
CURRENT ASSETS					
Bank		2,880		4,387	
Debtors		0		5,250	
		2,880		9,637	
CREDITORS					
(Amount falling due within one year)		(30,930)		(6,356)	
NET CURRENT ASSETS / (LIABILITIES)			(28,050)		3,281
CREDITORS					
Amounts falling due > one year			0		(59,096)
TOTAL ASSETS LESS CURRENT LIABILITIES			36,950		9,185
CAPITAL & RESERVES					
Called up Share Capital			1,593,941		1,593,941
Share Premium			1,850,895		1,850,895
Profit & Loss Account			(3,407,887)		(3,435,651)
SHAREHOLDERS FUNDS			36,949		9,185

The Directors are satisfied that the Company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985 and that no members have requested an audit pursuant to subsection (2) of Section 249B in relation to the accounts for the financial year.

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 in the financial year in accordance with the requirements of this Act relating to accounts, so far as applicable to the Company.

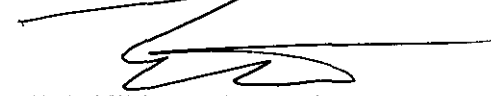
In preparing these financial statements we have taken advantage of the special exemptions conferred by sections 246 and 247 of the Companies Act 1985 on the grounds that the Company is entitled to those exemptions as part of a small group.

QUIXA LIMITED

Balance Sheet as at 31 December 2004

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities.

ON BEHALF OF THE BOARD



J Elliott – DIRECTOR

Dated:

11 Aug 05

The notes on Pages 7 – 9 form part of these financial statements

QUIXA LIMITED**Notes to the Accounts for the year ended 31 December 2004**

1 ACCOUNTING POLICIES**a ACCOUNTING CONVENTION**

The accounts are prepared under the historical cost convention and have been prepared in accordance with applicable accounting standards.

b 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.

c TURNOVER

Turnover represents the amounts (excluding Value Added Tax) derived from the provision of goods and services to customers.

2 FIXED ASSET INVESTMENTS**Fixed Asset Investments**

	2004	2003
	£	£
Quixa Solutions	65,000	65,000
Country Supplies	0	0
	<hr/>	<hr/>
	65,000	65,000

Subsidiaries

	% holding	% holding
Quixa Solutions	100%	100%
Country Supplies	20%	20%

QUIXA LIMITED**Notes to the Accounts for the year ended 31 December 2004**

3 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade Debtors	0	5,250
Other Debtors	0	0
	<u>0</u>	<u>5,250</u>

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade Creditors	(5,442)	(870)
Taxations and Social Security	(11,006)	(5,087)
Other Creditors	<u>(14,482)</u>	<u>(400)</u>
	<u>(30,930)</u>	<u>(6,356)</u>

5 CREDITORS: AMOUNTS FALLING DUE > ONE YEAR

	2004	2003
	£	£
Amounts owed to Group Undertakings	0	(59,096)

6 CALLED UP SHARE CAPITAL

	Nominal Value	2004 £	2003 £
Authorised Number			
30,000,000 Ordinary Shares	20p	6,000,000	6,000,000
Allotted, issued and fully paid			
7,969,705 Ordinary Shares	20p	1,593,941	1,593,941

QUIXA LIMITED**Notes to the Accounts for the year ended 31 December 2004**

7 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	2004	2003
	£	£
Profit for the Financial Year	27,764	(461,201)
Dividends	0	0
Net addition/(reduction) to shareholder's funds	27,764	(461,201)
Opening shareholder's funds	9,185	470,386
Closing shareholder's funds	36,949	9,185
Equity interests	36,949	9,185

8 RELATED PARTY TRANSACTIONS

During the year businesses controlled by the Directors charged fees to the company as follows;

	2004	2003
	£	£
A Hasoon (Milamber Consulting)	14,000	0
S Williams (Lanhydrock Consulting)	8,762	2,663
C Williams (Dreason Bermuda)	0	7,695