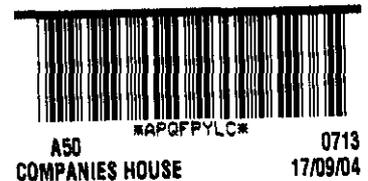

FIRST LEADER (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2003**



FIRST LEADER (UK) LIMITED

COMPANY INFORMATION

DIRECTORS	Doctor N. Levy R. Cohen A.L. Terzakian S. Aspiotis
SECRETARY	David Ian Bressloff
COMPANY NUMBER	01941022
REGISTERED OFFICE	6 Bourbon Street Aylesbury Bucks HP20 2RR
ACCOUNTANTS	Ramsdens Accountants Limited Chartered Accountants 6 Bourbon Street Aylesbury Bucks HP20 2RR

FIRST LEADER (UK) LIMITED

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FIRST LEADER (UK) LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2003

The directors present their report and the financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The company's principal activity was the provision of agency services

DIRECTORS

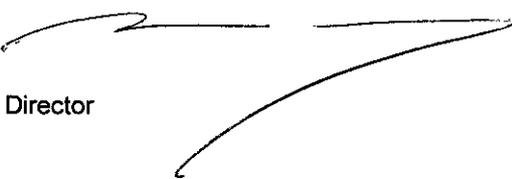
The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>31/12/03</u>	<u>1/1/03</u>
Doctor N. Levy	-	-
R. Cohen	-	-
A.L. Terzakian	-	-
S. Aspiotis	-	-

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

This report was approved by the board on *18 August 2004* and signed on its behalf.

Director



FIRST LEADER (UK) LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF FIRST LEADER (UK) LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2003 set out on pages 3 to 8 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

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 of the company and from information and explanations supplied to us.

Ransders

Chartered Accountants

6 Bourbon Street
Aylesbury
Bucks
HP20 2RR

16.9.04

FIRST LEADER (UK) LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2003

	Note	Year Ended 31 December 2003 £	Year Ended 31 December 2002 £
TURNOVER	1	772,078	758,207
Cost of sales		(81,502)	(97,717)
GROSS PROFIT		690,576	660,490
Administrative expenses		(610,893)	(589,239)
OPERATING PROFIT	2	79,683	71,251
EXCEPTIONAL ITEMS	4		
Net profit on sale of tangible fixed assets		6,000	14,500
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		85,683	85,751
Interest receivable		333	-
Interest payable		(230)	(1,507)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		85,786	84,244
TAX ON PROFIT ON ORDINARY ACTIVITIES	5	(27,650)	(27,011)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		£ 58,136	£ 57,233

The notes on pages 5 to 8 form part of these financial statements.

FIRST LEADER (UK) LIMITED

BALANCE SHEET
As at 31 December 2003

	Note	31 December 2003		31 December 2002	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6		40,004		64,972
CURRENT ASSETS					
Debtors	7	275,830		149,648	
Cash at bank		18,646		35,327	
		294,476		184,975	
CREDITORS: amounts falling due within one year	8	(82,408)		(56,011)	
NET CURRENT ASSETS			212,068		128,964
TOTAL ASSETS LESS CURRENT LIABILITIES		£	252,072	£	193,936
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Profit and loss account	10		251,972		193,836
SHAREHOLDERS' FUNDS		£	252,072	£	193,936

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2003 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

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

The financial statements were approved by the board on 18 August 2004 and signed on its behalf.



Director

The notes on pages 5 to 8 form part of these financial statements.

FIRST LEADER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 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 bases:

Leasehold land and buildings	-	20%	straight line
Motor vehicles	-	25%	straight line
Fixtures and fittings	-	25%	straight line
Computer equipment	-	100%	straight line

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31 December 2003	Year Ended 31 December 2002
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	24,968	25,381
Auditors' remuneration	9,000	9,000
	<u> </u>	<u> </u>

3. DIRECTORS' REMUNERATION

	Year Ended 31 December 2003	Year Ended 31 December 2002
	£	£
Aggregate emoluments	£ 48,009	£ 56,951
	<u> </u>	<u> </u>

FIRST LEADER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

4. EXCEPTIONAL ITEMS

	Year Ended 31 December 2003	Year Ended 31 December 2002
	£	£
Profit on Sale of Fixed Asset	£ 6,000	£ 14,500

5. TAXATION

	Year Ended 31 December 2003	Year Ended 31 December 2002
	£	£
UK corporation tax charge on profits of the year	£ 27,650	£ 27,011

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK.

There were no factors that may affect future tax charges.

6. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Motor Vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 January 2003	69,303	70,102	54,123	193,528
Disposals	-	(31,902)	-	(31,902)
At 31 December 2003	<u>69,303</u>	<u>38,200</u>	<u>54,123</u>	<u>161,626</u>
Depreciation				
At 1 January 2003	27,720	53,077	47,759	128,556
Charge for the year	13,861	5,675	5,432	24,968
On disposals	-	(31,902)	-	(31,902)
At 31 December 2003	<u>41,581</u>	<u>26,850</u>	<u>53,191</u>	<u>121,622</u>
Net book value				
At 31 December 2003	<u>£ 27,722</u>	<u>£ 11,350</u>	<u>£ 932</u>	<u>£ 40,004</u>
At 31 December 2002	<u>£ 41,583</u>	<u>£ 17,025</u>	<u>£ 6,364</u>	<u>£ 64,972</u>

FIRST LEADER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2003 £	2002 £
Motor Vehicles	£ -	£ 1
	<u> </u>	<u> </u>

7. DEBTORS

	2003 £	2002 £
Due within one year		
Other debtors	£ 275,830	£ 149,648
	<u> </u>	<u> </u>

Included within other debtors due within one year is a loan to Dr. N. Levy, a director, amounting to £39,753 (2002 - £36,906). The maximum amount outstanding during the year was £39,753.

8. CREDITORS:

Amounts falling due within one year

	2003 £	2002 £
Net obligations under finance leases and hire purchase contracts	-	1,667
Trade creditors	7,213	2,387
Corporation tax	54,661	27,011
Social security and other taxes	4,997	9,595
Other creditors	15,537	15,351
	<u> </u>	<u> </u>
	£ 82,408	£ 56,011
	<u> </u>	<u> </u>

9. SHARE CAPITAL

	2003 £	2002 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100
	<u> </u>	<u> </u>

10. RESERVES

Profit and loss account	£
At 1 January 2003	193,836
Profit retained for the year	58,136
	<u> </u>
At 31 December 2003	£ 251,972
	<u> </u>

FIRST LEADER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2003

10. RESERVES

Profit and loss account	£
At 1 January 2003	193,836
Profit retained for the year	58,136
	<hr/>
At 31 December 2003	£ 251,972
	<hr/> <hr/>

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a subsidiary of First Leader SA, a company incorporated in Panama.