

Company No. 4335289

LAKESHIRE LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004



LAKESHIRE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2004

| | |
|-------------------|---|
| Company Number | 4335289 |
| Directors | Samantha Leak David McMaster Caversham Management Limited |
| Secretary | Marylebone Management Services Limited |
| Registered Office | 3 Bentinck Mews London W1U 2AH |

LAKESHIRE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004

The directors of the company present their report to the members together with the Financial Statements for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is investment holding.

RESULTS AND DIVIDENDS

The financial position of the company at 31 December 2004 and the profit for the year ended on that date are set out in the annexed accounts which are presented in Swedish Kroner (SEK). The directors do not recommend the payment of a dividend.

DIRECTORS

The directors of the company during the year and subsequently, who did not have any beneficial interest in the issued share capital, were:

| | Date Appointed | Date Resigned |
|------------------------------|-----------------------|----------------------|
| Samantha Leak | 25 April 2003 | |
| Caversham Management Limited | 30 January 2004 | |
| David McMaster | 31 March 2004 | |
| Frank Robinson | 25 April 2003 | 31 March 2004 |
| James Ramsden | 20 December 2001 | 30 January 2004 |

SECRETARY

Marylebone Management Services Limited 30 January 2004

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

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 year. 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.

LAKESHIRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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 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 ON BEHALF OF THE BOARD



**Samantha Leak
DIRECTOR**

LAKESHIRE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

| | Note | 2004 SEK | 2003 SEK |
|-------------------------------------|-------|-------------|---------------|
| EXPENSES | | | |
| Administration expenses | | 34,210 | 1,395 |
| Directors' fees | | 7,624 | 7,728 |
| Sundries | | - | 196 |
| | | ----- | ----- |
| | | (41,834) | (9,319) |
| Dividends receivable | | 568,035 | 469,419 |
| Interest received | | 5 | 270 |
| Bank charges | | (496) | (837) |
| | | ----- | ----- |
| Profit for the year before taxation | | 525,710 | 459,533 |
| Taxation | 2 | - | - |
| | | ----- | ----- |
| Profit for the year after taxation | | 525,710 | 459,533 |
| Dividend paid | | - | (434,664) |
| Profit brought forward | | 49,824 | 24,955 |
| | | ----- | ----- |
| Profit carried forward | | 575,534 | 49,824 |
| | | ===== | ===== |

There were no other recognised gains and losses apart from those shown in the Profit and Loss Account, above.

None of the company's activities were commenced or discontinued during the above financial year.

The notes on pages 6 to 8 form part of these financial statements.

LAKESHIRE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2004

| | Notes | 2004 | | 2003 | |
|---|-------|---------|---------|--------|----------|
| | | SEK | SEK | SEK | SEK |
| Fixed Assets | | | | | |
| Investments | 3 | | 100,000 | | 100,000 |
| Current Assets | | | | | |
| Debtors | 4 | 468,065 | | 30 | |
| Cash in bank | | 26,658 | | 3,660 | |
| | | 494,723 | | 3,690 | |
| Creditors: amounts falling due within one year | 5 | 19,159 | | 53,836 | |
| Net current assets/ (liabilities) | | | 475,564 | | (50,146) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 575,564 | | 49,854 |
| SHAREHOLDERS FUNDS | | | | | |
| Called up share capital | 6 | | 30 | | 30 |
| Profit and loss account | | | 575,534 | | 49,824 |
| | | | 575,564 | | 49,854 |

In preparing these financial statements:

- (a) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (b) The directors acknowledge their responsibilities for:
 - (i) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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).

The financial statements were approved by the Board on 19 August 2005


Samantha Leak
DIRECTOR

LAKESHIRE 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, in accordance with the Financial Reporting Statement for Smaller Entities effective June 2002.

Consolidated Accounts

In accordance with the provisions of Financial Reporting Standard No 2, the Company has not prepared consolidated financial statements, as it qualifies as a medium sized group.

Investments

Unquoted investments are shown at cost unless the directors believe there has been a permanent diminution in value.

Foreign Currency Translation

Fixed assets denominated in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2. TAXATION

The company is liable for UK Corporation Tax at the small companies rate of 19%, however no UK tax is payable because of double taxation relief on dividends received.

3. INVESTMENTS

| | 2004 SEK | 2003 SEK |
|--|------------------|------------------|
| Unquoted Investment at cost: | | |
| SkySparc AB (formerly known as Ceryon Consulting AB) | | |
| 1,000 shares of SEK 100 each | 100,000 ===== | 100,000 ===== |

The investment comprises 100% of the capital of the company, which is registered in Sweden.

In the opinion of the directors, the value of the investment at the balance sheet date was not less than cost.

The following information was extracted from the audited consolidated accounts of the subsidiary as at 31 August 2004. The aggregate of the capital and reserves was SEK 233,278 (2003: SEK 688,627). Its profit for the year was SEK 113,278 (2003: SEK 568,592).

LAKESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

4. DEBTORS

| | 2004 | 2003 |
|---------------------|---------|-------|
| | SEK | SEK |
| Unpaid capital | 30 | 30 |
| Dividend receivable | 468,035 | - |
| | ----- | ---- |
| | 468,065 | 30 |
| | ===== | ===== |

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2004 | 2003 |
|------------------|--------|--------|
| | SEK | SEK |
| Accrued expenses | 19,159 | 53,836 |
| | ===== | ===== |

6. CALLED UP SHARE CAPITAL

| | | 2004 and 2003 |
|--|-----|---------------|
| | | GBP |
| Authorised: 1,000 Ordinary shares of £1 each | | 1,000 |
| | | ===== |
| | GBP | SEK |
| Allotted, issued and unpaid: 2 Ordinary shares of £1 each | 2 | 30 |
| | == | == |

7. RELATED PARTY TRANSACTIONS

The company is controlled by its directors. The company is ultimately controlled by Credit Suisse Life & Pensions (Bermuda) Limited.

During the year, the company incurred fees and expenses of SEK 41,834 (2003: SEK 9,123) with the Caversham group of companies, in which Samantha Leak and David McMaster are directors and Frank Robinson was a director. There were no other material transactions with any related party.

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | 2004 | 2003 |
|--------------------------------------|---------|-----------|
| | SEK | SEK |
| Opening shareholders' funds | 49,854 | 24,985 |
| Total recognised profit for the year | 525,710 | 459,533 |
| Dividends paid | - | (434,664) |
| | ----- | ----- |
| Closing shareholders' funds | 575,564 | 49,854 |
| | ===== | ===== |