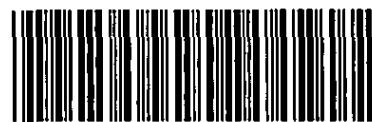




TITON ASSOCIATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

THURSDAY



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COMPANIES HOUSE

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TITON ASSOCIATES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the cash flow statement	8
Notes to the financial statements	9 - 14

TITON ASSOCIATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report and financial statements for the year ended 31 March 2007

Principal activities and review of the business

The principal activity of the company continued to be that of consultancy and project management services

Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

Directors

The following directors have held office since 1 April 2006

M G Mullertz

L S Nielsen

Directors' interests

	Ordinary shares of £1 each	
	31 March 2007	1 April 2006
M G Mullertz	-	-
L S Nielsen	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting

TITON ASSOCIATES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2007

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 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 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

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



M G Mullertz

Director

3 July 2007

TITON ASSOCIATES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF TITON ASSOCIATES LIMITED

We have audited the financial statements of Titon Associates Limited for the year ended 31 March 2007 set out on pages 5 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

TITON ASSOCIATES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF TITON ASSOCIATES LIMITED

Opinion

We have audited the financial statements of Titon Associates Limited for the year ended 31 March 2007 set out on pages 5 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



Gerald Edelman

3 July 2007

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

TITON ASSOCIATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover	2	297,078	284,621
Administrative expenses		(204,027)	(180,629)
Other operating income		9,540	11,736
Operating profit	3	102,591	115,728
Other interest receivable and similar income	4	3,100	1,024
Interest payable and similar charges	5	(2)	-
Profit on ordinary activities before taxation		105,689	116,752
Tax on profit on ordinary activities	6	(20,818)	(22,152)
Profit for the year	12	84,871	94,600

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

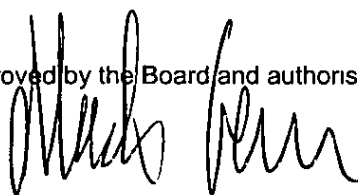
TITON ASSOCIATES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	7		1,788		1,716
Current assets					
Debtors	8	23,347		22,605	
Cash at bank and in hand		288,297		123,224	
		<u>311,644</u>		<u>145,829</u>	
Creditors. amounts falling due within one year	9	<u>(109,984)</u>		<u>(28,968)</u>	
Net current assets			201,660		116,861
Total assets less current liabilities			203,448		118,577
			<u>203,448</u>		<u>118,577</u>
Capital and reserves					
Called up share capital	11		25,000		25,000
Profit and loss account	12		178,448		93,577
Shareholders' funds	13		203,448		118,577

Approved by the Board and authorised for issue on 3 July 2007



M G Mullertz
Director

TITON ASSOCIATES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	£	2007 £	£	2006 £
Net cash inflow from operating activities		185,430		61,571
Returns on investments and servicing of finance				
Interest received	3,100		1,024	
Interest paid	(2)		-	
Net cash inflow for returns on investments and servicing of finance		3,098		1,024
Taxation		(22,246)		(962)
Capital expenditure				
Payments to acquire tangible assets	(1,209)		(766)	
Net cash outflow for capital expenditure		(1,209)		(766)
Net cash inflow before management of liquid resources and financing		165,073		60,867
Increase in cash in the year		165,073		60,867

TITON ASSOCIATES LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

1	Reconciliation of operating profit to net cash inflow from operating activities	2007	2006
		£	£
	Operating profit	102,591	115,728
	Depreciation of tangible assets	1,137	1,017
	(Increase)/decrease in debtors	(986)	10,496
	Increase/(decrease) in creditors within one year	82,688	(65,670)
	Net cash inflow from operating activities	185,430	61,571

2	Analysis of net funds	1 April 2006	Cash flow	Other non-cash changes	31 March 2007
		£	£	£	£
	Net cash				
	Cash at bank and in hand	123,224	165,073	-	288,297
	Net funds	123,224	165,073	-	288,297

3	Reconciliation of net cash flow to movement in net funds	2007	2006
		£	£
	Increase in cash in the year	165,073	60,867
	Movement in net funds in the year	165,073	60,867
	Opening net funds	123,224	62,357
	Closing net funds	288,297	123,224

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for services provided net of VAT

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 less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	Over 3 years
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1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax assets is to the extent that the company anticipates making taxable profits in the future to absorb the reversal of the underlying timing differences

1.7 Foreign currency translation

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 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	1,137	1,017
Auditors' remuneration	3,060	2,550
Remuneration of auditors for non-audit work	2,052	2,940
	<u> </u>	<u> </u>

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

4	Investment income	2007	2006
		£	£
	Bank interest	3,100	1,024
5	Interest payable	2007	2006
		£	£
	On bank loans and overdrafts	2	-
6	Taxation	2007	2006
		£	£
	Domestic current year tax		
	U K corporation tax	20,574	22,245
	Adjustment for prior years	-	962
	Current tax charge	20,574	23,207
	Deferred tax		
	Deferred tax charge/credit current year	244	(1,055)
		20,818	22,152
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	105,689	116,752
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2006 - 19.00%)	20,081	22,183
	Effects of		
	Non deductible expenses	737	406
	Depreciation add back	216	193
	Capital allowances	(460)	(489)
	Adjustments to previous periods	-	962
	Other tax adjustments	-	(48)
		493	1,024
	Current tax charge	20,574	23,207

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

7 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2006	17,393
Additions	1,209
	<hr/>
At 31 March 2007	18,602
	<hr/>
Depreciation	
At 1 April 2006	15,677
Charge for the year	1,137
	<hr/>
At 31 March 2007	16,814
	<hr/>
Net book value	
At 31 March 2007	1,788
	<hr/>
At 31 March 2006	1,716
	<hr/>

8 Debtors	2007 £	2006 £
Trade debtors	-	3,611
Other debtors	18,125	16,044
Prepayments and accrued income	4,411	1,895
Deferred tax asset (see note 10)	811	1,055
	<hr/>	<hr/>
	23,347	22,605
	<hr/>	<hr/>

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

9	Creditors: amounts falling due within one year	2007 £	2006 £
	Trade creditors	85,182	-
	Corporation tax	20,573	22,245
	Other taxes and social security costs	-	1,361
	Directors' current accounts	229	229
	Accruals and deferred income	4,000	5,133
		<u>109,984</u>	<u>28,968</u>

10 Provisions for liabilities and charges

The deferred tax asset (included in debtors, note 8) is made up as follows

	2007 £
Balance at 1 April 2006	(1,055)
Profit and loss account	244
	<u>(811)</u>
Balance at 31 March 2007	<u>(811)</u>

	2007 £	2006 £
Decelerated capital allowances	<u>(811)</u>	<u>(1,055)</u>

11	Share capital	2007 £	2006 £
	Authorised		
	1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	Allotted, called up and fully paid		
	25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2006	93,577
Profit for the year	84,871
Balance at 31 March 2007	<u>178,448</u>

13 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit for the financial year	84,871	94,600
Opening shareholders' funds	118,577	23,977
Closing shareholders' funds	<u>203,448</u>	<u>118,577</u>

14 Directors' emoluments

	2007 £	2006 £
Emoluments for qualifying services	<u>48,000</u>	<u>48,000</u>

15 Transactions with directors

Included in creditors falling due within one year are amounts due to M G Mullertz of £229 (2006 - £229)
There are no terms as to interest or repayment of these balances

TITON ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Directors	2	2
Administration	1	-
	<u>3</u>	<u>2</u>

Employment costs

	2007 £	2006 £
Wages and salaries	60,000	48,000
Social security costs	6,176	4,641
	<u>66,176</u>	<u>52,641</u>

17 Related party transactions

Part of the company's turnover amounting to £96,000 (2006 - £96,000) was derived from Titon Management Inc , a company incorporated in British Virgin Islands M G Mullertz is a director of Titon Management Inc , and he and his associates are beneficiaries of a trust which owns 50% of the share capital of Titon Associates Limited and Titon Management Inc