

COMPANY REGISTRATION NUMBER 01992586

**DISTRIBUTED INTELLIGENCE CONSULTANTS
INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2004**



DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

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DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	S A Jepson A P Ansell C Delplanque
Company secretary	S H Sweetman
Registered office	12 Sheet Street Windsor Berkshire SL4 1BG
Auditors	Feltons Chartered Accountants & Registered Auditors 12 Sheet Street Windsor Berkshire SL4 1BG
Bankers	Lloyds TSB Bank Plc 2 Thames Street Windsor Berkshire
Solicitors	Ashurst Morris Crisp Broadwalk House 5 Appold Street London EC2A 2HA

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of software consultancy and supply.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2004	At 1 April 2003
S A Jepson	—	—
A P Ansell	1	1
C Delplanque	—	—
	<hr/>	<hr/>

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

A resolution to re-appoint Feltons as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

**DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL
LIMITED**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2004

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
12 Sheet Street
Windsor
Berkshire
SL4 1BG

Signed on behalf of the directors



A P Ansell
Director

Approved by the directors on 17.12.2004

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

YEAR ENDED 31 MARCH 2004

We have audited the financial statements which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and on the basis of the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company 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 United Kingdom Auditing Standards 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.

**DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL
LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL
LIMITED** *(continued)*

YEAR ENDED 31 MARCH 2004

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

12 Sheet Street
Windsor
Berkshire
SL4 1BG

20th December 2004



FELTONS
Chartered Accountants
& Registered Auditors

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2004

	Note	2004 £	2003 £
TURNOVER		17,172	20,671
Cost of sales		(15,078)	(18,161)
GROSS PROFIT		2,094	2,510
Administrative expenses		(1,501)	(1,656)
OPERATING PROFIT	2	593	854
Interest receivable		79	28
		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		672	882
Tax on profit on ordinary activities	3	—	—
		—	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		672	882
Balance brought forward		8,882	8,000
Balance carried forward		9,554	8,882

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the years as set out above.

The notes on pages 8 to 9 form part of these financial statements.

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED


BALANCE SHEET

31 MARCH 2004

	Note	2004 £	£	2003 £	£
CURRENT ASSETS					
Debtors	4	1,816		1,800	
Cash at bank and in hand		8,738		10,598	
		<u>10,554</u>		<u>12,398</u>	
CREDITORS: Amounts falling due within one year					
	5	<u>900</u>		<u>3,416</u>	
NET CURRENT ASSETS			<u>9,654</u>		<u>8,982</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,654</u>		<u>8,982</u>
CAPITAL AND RESERVES					
Called-up equity share capital	7		100		100
Profit and loss account			<u>9,554</u>		<u>8,882</u>
SHAREHOLDERS' FUNDS	8		<u>9,654</u>		<u>8,982</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 17.12.2004 and are signed on their behalf by:


A.P. Ansell
Director

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, less VAT and trade discounts.

Fixed assets

All fixed assets are initially recorded at cost.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange difference flows through the profit and loss account.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004	2003
	£	£
Auditors' fees	900	1,575
Net loss/(profit) on foreign currency translation	<u>288</u>	<u>(330)</u>

3. TAXATION ON ORDINARY ACTIVITIES

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2003 - 30%).

	2004	2003
	£	£
Profit on ordinary activities before taxation	<u>672</u>	<u>882</u>
Profit/(loss) on ordinary activities by rate of tax	202	—
Other short term timing differences	<u>(202)</u>	<u>—</u>
Total current tax	<u>—</u>	<u>—</u>

4. DEBTORS

	2004	2003
	£	£
Trade debtors	<u>1,816</u>	<u>1,800</u>

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

5. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Amounts owed to group undertakings	—	1,841
Other creditors	900	1,575
	<u>900</u>	<u>3,416</u>

6. RELATED PARTY TRANSACTIONS

The company's ultimate holding company is Technology in Action Group Limited, a company incorporated in the United Kingdom and registered in England and Wales. The ultimate controlling party is the shareholders of Technology in Action Group Limited.

During the year the company was charged £10,000 (2003: £12,000) in management fees by Technology in Action Group Limited. At the balance sheet date the amount due to Technology in Action Group Limited was £nil (2003: £1,144).

During the year the company purchased goods in the normal course of business from Distributed Intelligence Systems SARL for £98 (2003: £278). The price charged was the cost price plus 15% in the case of each individual purchase. At the balance sheet date the amount due to Distributed Intelligence Systems SARL was £Nil (2003: £134).

During the year the company paid royalties of £5,078 (2003: £6,161) to Retail Research and Development Limited. At the balance sheet date the amount due to Retail Research and Development Limited was £nil (2003: £563).

During the year the company made no purchases from Distributed Intelligence Systems Limited in the normal course of business. The amount due from Distributed Intelligence Systems Limited at the balance sheet date was £nil (2003:£nil).

During the year the company made no purchases from Retail Computer Services Limited. The amount due to Retail Computer Services Limited at the balance sheet date was £nil (2003: £nil).

These companies are all fellow subsidiaries of Technology In Action Group Limited.

7. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit for the financial year	672	882
Opening shareholders' equity funds	<u>8,982</u>	<u>8,100</u>
Closing shareholders' equity funds	<u>9,654</u>	<u>8,982</u>