

BORDER COMPUTING LTD
ABBREVIATED FINANCIAL STATEMENTS
FOR
30TH SEPTEMBER 2002



ANDY PURVES
Chartered Accountants
St. Dunstons House
High Street
MELROSE
Roxburghshire
TD6 9RU

BORDER COMPUTING LTD

FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

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BORDER COMPUTING LTD**BALANCE SHEET****30TH SEPTEMBER 2002**

	Note	2002 £	£	2001 £	£
FIXED ASSETS	2				
Intangible assets			333		449
Tangible assets			12,995		15,249
Investments			3,525		2,000
			<u>16,853</u>		<u>17,698</u>
CURRENT ASSETS					
Stocks		12,500		16,655	
Debtors		38,703		39,393	
		<u>51,203</u>		<u>56,048</u>	
CREDITORS: Amounts falling due within one year		<u>60,995</u>		<u>57,441</u>	
NET CURRENT LIABILITIES			(9,792)		(1,393)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,061</u>		<u>16,305</u>
CREDITORS: Amounts falling due after more than one year			5,720		9,273
GOVERNMENT GRANTS	3		<u>379</u>		<u>379</u>
			<u>962</u>		<u>6,653</u>

The Balance sheet continues on the following page.
The notes on pages 3 to 5 form part of these financial statements.

BORDER COMPUTING LTD**BALANCE SHEET** *(continued)***30TH SEPTEMBER 2002**

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	4	100	100
Profit and Loss Account		862	6,553
SHAREHOLDERS' FUNDS		<u>962</u>	<u>6,653</u>

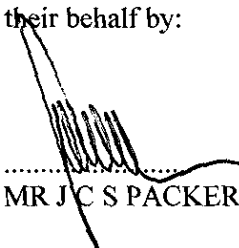
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

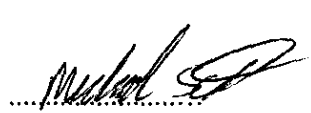
- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts 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 11/6/02 and are signed on their behalf by:



.....
MR J C S PACKER



.....
MR M J SCOTT

BORDER COMPUTING LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 2002****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 10% straight line
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Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- 25% reducing balance
Fixtures & Fittings	- 10% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 15% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

BORDER COMPUTING LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 2002****1. ACCOUNTING POLICIES** *(continued)***Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

BORDER COMPUTING LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 2002****2. FIXED ASSETS**

	Intangible Assets £	Tangible Assets £	Investments £	Total £
COST				
At 1st October 2001	1,162	26,203	2,000	29,365
Additions	—	1,324	1,525	2,849
At 30th September 2002	<u>1,162</u>	<u>27,527</u>	<u>3,525</u>	<u>32,214</u>
DEPRECIATION				
At 1st October 2001	713	10,954	—	11,667
Charge for year	116	3,578	—	3,694
At 30th September 2002	<u>829</u>	<u>14,532</u>	<u>—</u>	<u>15,361</u>
NET BOOK VALUE				
At 30th September 2002	<u>333</u>	<u>12,995</u>	<u>3,525</u>	<u>16,853</u>
At 30th September 2001	<u>449</u>	<u>15,249</u>	<u>2,000</u>	<u>17,698</u>

3. GOVERNMENT GRANTS

	2002 £	2001 £
Received and receivable	<u>379</u>	<u>379</u>

4. SHARE CAPITAL**Authorised share capital:**

	2002 £	2001 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2002 No	£	2001 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

BORDER COMPUTING LTD

ACCOUNTANTS' REPORT TO THE DIRECTORS YEAR ENDED 30TH SEPTEMBER 2002

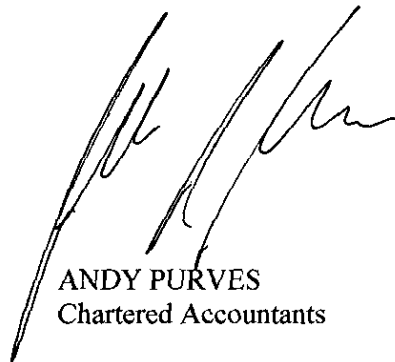
As described on the balance sheet, the directors of the company are responsible for the preparation of the accounts for the year ended 30th September 2002, set out on pages 1 to 5.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

St. Dunstons House
High Street
MELROSE
Roxburghshire
TD6 9RU

12/6/03



ANDY PURVES
Chartered Accountants