

Registration number SC160130

Border Computing Limited
Directors' report and financial statements
for the year ended 30 September 2004



Border Computing Limited

Company information

Directors	J C S Packer M J Scott
Company number	SC160130
Registered office	Ladhope Vale House Ladhope Vale Galashiels TD1 1BT
Accountants	Michael Revels & Co Ladhope Vale House Ladhope Vale Galashiels Selkirkshire TD1 1BT
Business address	94 Overhaugh Street Galashiels Selkirkshire TD1 1DP
Bankers	Bank of Scotland High Street Langholm Dumfries & Galloway DG13 0JH

Border Computing Limited

Directors' report for the year ended 30 September 2004

The directors present their report and the financial statements for the year ended 30 September 2004.

Principal activity

The principal activity of the company during the year was that of sale and repair of computer equipment.

Directors and their interests

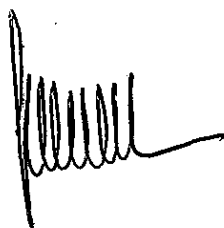
The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	30/09/04	01/10/03
J C S Packer	76	76
M J Scott	24	24

This report is 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 8 June 2005 and signed on its behalf by

J C S Packer
Director



Border Computing Limited

**Accountants' report on the unaudited financial statements to the directors of
Border Computing Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 September 2004 set out on pages 3 to 11 and you consider that the company is exempt from an audit. 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 and information supplied to us.



**Michael Revels & Co
Chartered Accountants
Ladhope Vale House
Ladhope Vale
Galashiels
Selkirkshire
TD1 1BT**

Date: 8 June 2005

Border Computing Limited

Profit and loss account for the year ended 30 September 2004

		2004	2003
	Notes	£	£
Turnover	2	359,427	329,870
Cost of sales		(250,672)	(237,008)
Gross profit		108,755	92,862
Administrative expenses		(101,054)	(73,644)
Other operating income		4	-
Operating profit	3	7,705	19,218
Interest payable and similar charges		(946)	(1,530)
Profit on ordinary activities before taxation		6,759	17,688
Tax on profit on ordinary activities	5	-	(2,452)
Profit on ordinary activities after taxation		6,759	15,236
Dividends		-	(20,100)
Retained profit/(loss) for the year		6,759	(4,864)
Accumulated (loss)/profit brought forward		(4,002)	862
Retained profit/(loss) carried forward		2,757	(4,002)

The notes on pages 6 to 11 form an integral part of these financial statements.

Border Computing Limited

Balance sheet as at 30 September 2004

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6		102		217
Tangible assets	7		6,515		6,425
Investments	8		3,525		3,525
			<u>10,142</u>		<u>10,167</u>
Current assets					
Stocks		22,500		12,500	
Debtors	9	29,670		23,087	
Cash at bank and in hand		972		-	
		<u>53,142</u>		<u>35,587</u>	
Creditors: amounts falling due within one year	10	(57,656)		(45,690)	
Net current liabilities			<u>(4,514)</u>		<u>(10,103)</u>
Total assets less current liabilities			5,628		64
Creditors: amounts falling due after more than one year	11		(2,322)		(3,372)
Provisions for liabilities and charges	12		(449)		(449)
Accruals and deferred income	13		-		(145)
Net assets/(liabilities)			<u>2,857</u>		<u>(3,902)</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account			2,757		(4,002)
Shareholders' funds			<u>2,857</u>		<u>(3,902)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 11 form an integral part of these financial statements.

Border Computing Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 September 2004**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2004 and

(c) that we acknowledge our responsibilities for:

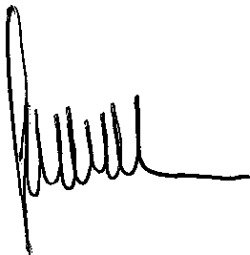
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 8 June 2005 and signed on its behalf by

J C S Packer
Director

A handwritten signature in black ink, consisting of a series of vertical strokes and a horizontal line at the end, positioned to the right of the printed name and title.

The notes on pages 6 to 11 form an integral part of these financial statements.

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the *Financial Reporting Standard for Smaller Entities (effective June 2002)*.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 10% reducing balance
Motor vehicles	- 25% reducing balance

1.5. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.6. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7. Stock

Stock is valued at the lower of cost and net realisable value.

1.8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

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1.9. 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.

1.10. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Turnover

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

3. Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	1,356	1,584
Loss on disposal of tangible fixed assets	-	1,868

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

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4. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £2,341 (2003 - £2,129).

5. Tax on profit on ordinary activities

Analysis of charge in period	2004 £	2003 £
Current tax		
UK corporation tax	-	2,452

6. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 October 2003	1,162	1,162
At 30 September 2004	1,162	1,162
Provision for diminution in value		
At 1 October 2003	944	944
Charge for year	116	116
At 30 September 2004	1,060	1,060
Net book values		
At 30 September 2004	102	102
At 30 September 2003	218	218

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

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7. Tangible fixed assets	Land and buildings freehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2003	770	4,267	10,490	15,527
Additions	-	1,475	-	1,475
At 30 September 2004	770	5,742	10,490	17,002
Depreciation				
At 1 October 2003	770	1,808	6,524	9,102
Charge for the year	-	393	992	1,385
At 30 September 2004	770	2,201	7,516	10,487
Net book values				
At 30 September 2004	-	3,541	2,974	6,515
At 30 September 2003	-	2,459	3,966	6,425

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2004		2003	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	-	-	3,966	1,322

8. Fixed asset investments	Listed investments £	Total £
Cost		
At 1 October 2003		
At 30 September 2004	3,525	3,525
Net book values		
At 30 September 2004	3,525	3,525
At 30 September 2003	3,525	3,525

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

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9. Debtors	2004	2003
	£	£
Trade debtors	29,191	22,608
Other debtors	479	479
	<u>29,670</u>	<u>23,087</u>
 10. Creditors: amounts falling due within one year	 2004	 2003
	£	£
Bank overdraft	18,974	9,508
Net obligations under finance leases and hire purchase contracts	-	1,298
Trade creditors	22,995	22,321
Corporation tax	-	1,860
Other taxes and social security costs	14,124	8,244
Directors' accounts	-	1,579
Accruals and deferred income	1,563	880
	<u>57,656</u>	<u>45,690</u>
 11. Creditors: amounts falling due after more than one year	 2004	 2003
	£	£
Bank loan	<u>2,322</u>	<u>3,372</u>

Border Computing Limited

Notes to the financial statements for the year ended 30 September 2004

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12. Provisions for liabilities and charges

	Deferred taxation (Note 12) £	Total £
At 1 October 2003	449	449
At 30 September 2004	449	449

13. Accruals and deferred income

	2004 £	2003 £
Government grants		
At 1 October 2003	-	145
At 30 September 2004	-	145

14. Share capital

	2004 £	2003 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100