

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

REGISTRATION NO: 3192724

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2004

Verinder & Associates
Chartered Accountants

1-3 Crosby Road South
Liverpool L22 1RG



INTERACTIVE COMPUTER AIDED LEARNING LIMITED

DIRECTORS REPORT

The Directors present their report and the financial statements for the year ended 30th April 2004.

1. Activities

The principal activity of the Company during the year was that of providing a computer based study aid for the police promotion exams.

2. Review of Business

The Company has performed satisfactorily during the year. Further details of the Company's performance are given in the Profit and Loss Account on page 3. The position at the end of the year is set out in the Balance Sheet on page 4.

3. Dividends and Transfers to Reserves

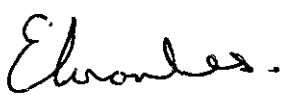
The Directors recommended payment of a dividend of £49,684 (2003 £23,667). There is a Profit before taxation in the Profit and Loss Account for the year of £132,131 (2003 profit of £49,237) and £55,923 was transferred to Reserves (2003 £14,970 transferred to Reserves).

4. Fixed Assets

Movements in the year are shown in note 7 to the financial statements.

5. Directors

The Directors of the Company and their shareholdings during the year were as follows:-

	£1 Ordinary Shares	
	<u>2004</u>	<u>2003</u>
	204	204
Mrs E Knowles	_____	_____

The Directors had no material interest during the year in any contract with the Company which is of significance to the business of the Company.

6. Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements, for each financial year, which give a fair view of the state of affairs of the Company and of the Profit and Loss for that period. In preparing these 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;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * 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. 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.

7. Political and Charitable Donations

No political contributions were made during the year. Charitable donations amounted to less than £200.

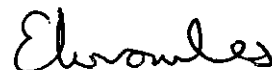
8. Future Prospects

The Director considers that the Company will improve its performance in the next financial year and will be able to take advantage of any upturn in the economy generally.

9. Close Company Status

The Company is a Close Company within the meaning of the Income Tax and Corporation Taxes Act 1988.

Signed on Behalf of the Board



**Mrs E Knowles
Director**

20th September 2004

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 2004

	<u>Notes</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
SALES - Continuing Operations		330,100	231,265
Operating Profit/(Loss) - Continuing Operations	2	131,792	49,812
Interest Receivable and Similar Income		348	67
		132,140	49,879
Interest Payable and Similar Charges	4	(9)	(642)
Profit on Ordinary Activities Before Taxation		132,131	49,237
Taxation on Profit on Ordinary Activities	5	(26,524)	(10,600)
Profit on Ordinary Activities After Taxation		105,607	38,637
Dividends	6	(49,684)	(23,667)
Retained Profit/(Loss) for the financial Year		55,923	14,970
Profit and Loss Account B/Fwd		119,967	104,997
Profit and Loss Account C/Fwd		175,890	119,967

The Company has no recognised gains and losses other than those included in the Profit above, and therefore no separate statement of total recognised gains and losses has been presented. There have been no discontinued activities or acquisitions in the current or preceding period.

There is no difference between the Profit on Ordinary Activities before taxation and the retained Profit for the year stated above, and their historical cost equivalents.

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

BALANCE SHEET AS AT 30TH APRIL 2004

	<u>Notes</u>	2004 £	2003 £
<u>FIXED ASSETS</u>			
Tangible Fixed Assets	7	94,362	91,773
<u>CURRENT ASSETS</u>			
Debtors	8	1,219	20,201
Cash at Bank and In Hand		127,109	45,857
		128,328	66,058
<u>CREDITORS: Amounts Falling Due Within One Year</u>			
	9	46,595	37,659
<u>NET CURRENT ASSETS/ (LIABILITIES)</u>		81,733	28,399
TOTAL ASSETS LESS CURRENT LIABILITIES		176,095	120,172
<u>SHARE CAPITAL AND RESERVES</u>			
Share Capital - Equity	10	205	205
Profit and Loss Account - Equity		175,890	119,967
Shareholders' Funds	11	176,095	120,172

For the year in question the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985.

No notice has been deposited under subsection (2) of section 249B.

The directors' acknowledge their responsibility for:

- i) ensuring that the company keeps proper accounting records which comply with section 221, and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at 30th April 2004 and of its Profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.


Mrs E Knowles) Director
)

20th September 2004

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

NOTE TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

1. Accounting Policies

1.1 Basis of Accounting

The financial statements have been prepared under the historical cost accounting rules and comply with applicable Statements of Standard Accounting Practice and Financial Reporting Standards.

1.2 Depreciation

Depreciation is provided so as to write off the assets cost, or valuation over its estimated useful economic life. The following rates have been used;

Buildings	-	NIL%pa
Building Improvements	-	NIL%pa
Office Equipment	-	25%pa on cost
Computer Equipment	-	33 1/3%pa on cost

1.3 Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the Director, there is reasonable probability that the liability will not arise in the foreseeable future.

1.4 Turnover

Turnover is derived from the Company's ordinary activities and is stated net of Value Added Tax.

1.5 Cash Flow Statement

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

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

(Continued)

2. Operating Profit

	2004	2003
	£	£
<u>Continuing Operations</u>		
Sales	330,100	231,265
Cost of Sales	79,943	50,584
Gross Profit	250,157	180,681
Administrative Expenses	118,365	130,869
Operating Profit/(Loss)	131,792	49,812
Cost and Expenses Include the Following:-	£	£
Depreciation	14,067	14,344
Staff Costs (see note 3)	30,754	48,982

3. Staff Costs (Including Directors Emoluments)

	£	£
Wages and Salaries	28,925	45,924
Social Security Costs	1,829	3,058
	30,754	48,982
Average Number of Persons Employed by the Company During the Year:	<u>No:</u>	<u>No:</u>
Management	2	2
Office/Admin	1	2
	3	4
Directors Emoluments Including Pension Contributions	£	£
Fees	-	-
Other Emoluments	5,000	20,796
	5,000	20,796

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

(Continued)

4. Interest Payable and Similar Charges

	2004	2003
	£	£
On Bank Loans and Overdrafts	-	3
On Late Tax	9	639
	9	642

5. Tax on Profit on Ordinary Activities

	£	£
Corporation Tax @ 19% on Profits on Ordinary Activities	26,524	10,600

6. Dividends

	£	£
Paid on £1 Ordinary Shares	49,684	23,667

7. Tangible Fixed Assets

	Buildings	Building Improvements	Office Equip.	Computer Equip.	Total
	£	£	£	£	£
<u>At Cost/Valuation</u>					
Opening Balance @ 01.05.2003	16,190	61,595	26,686	23,019	127,490
Additions	-	-	9,917	6,739	16,656
Disposals	-	-	(4,869)	(11,359)	(16,228)
Closing Balance @ 30.04.2004	16,190	61,595	31,734	18,399	127,918
<u>Depreciation</u>					
Opening Balance @ 01.05.2003	-	-	17,381	18,336	35,717
Charge for the Year	-	-	7,934	6,133	14,067
Adjustment on Disposal	-	-	(4,869)	(11,359)	(16,228)
Closing Balance @ 30.04.2004	-	-	20,446	13,110	33,556
<u>Net Book Value</u>					
At 30th April 2004	16,190	61,595	11,288	5,289	94,362
At 30th April 2003	16,190	61,595	9,305	4,683	91,773

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

(Continued)

8. Debtors

	2004	2003
	£	£
Other Debtors	-	19,049
Prepayments and accrued income	1,219	1,152
	1,219	20,201

All Debts are Due Within One Year.

9. CREDITORS: Amounts Falling Due Within One Year

	£	£
Trade Creditors	253	-
Corporation Tax	26,524	10,600
Other Taxes and Social Security Costs	8,421	-
Other Creditors	5,000	3,719
Accruals and Deferred Income	5,000	4,000
Directors Loan Account	1,397	19,340
	46,595	37,659

10. Share Capital

	2004	2003
	£	£
Authorised Share Capital: 100,000 ordinary shares of £1.00 each	100,000	100,000
Allotted, called up and fully paid Ordinary Share Capital	205	205

INTERACTIVE COMPUTER AIDED LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2004

(Continued)

11. Reconciliation of Movements in Shareholders' Funds

	2004	2003
	£	£
Profit/(Loss) for the Financial Year	105,607	38,637
Dividends	(49,684)	(23,667)
Issue of Share Capital	-	1
Opening Shareholders' Funds	120,172	105,201
Closing Shareholders' Funds	176,095	120,172

12. Capital Commitments

	£	£
Contracted for but not yet Committed	NIL	NIL

13. Contingent Liabilities

There were no Contingent Liabilities at 30th April 2004 (2003 £NIL).

14. Related Party Transactions

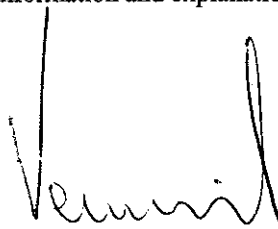
Mrs E Knowles, Company Director was provided with finance of £17,943 by the company during the year and was owed £1,397 at the year end.

Mr N watterson, Company Shareholder provided finance of £1,281 to the company during the year and was owed £5,000 at the year end.

No amounts were written off in respect of related party transactions and no provisions are considered necessary.

ACCOUNTANTS' REPORT
ON THE UNAUDITED ACCOUNTS
TO THE DIRECTORS OF
INTERACTIVE COMPUTER AIDED LEARNING LIMITED

As described on the Balance Sheet you are responsible for the preparation of the accounts for the year ended 30th April 2004 set out on pages 3 to 9 and you consider that the Company is exempt from an audit. 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.

A handwritten signature in black ink, appearing to read 'Verinder', is positioned above the printed name of the firm.

VERINDER & ASSOCIATES
Chartered Accountants
1 - 3 Crosby Road South
Liverpool L22 1RG

20th September 2004