KAPPA LAMBDA SQUARED LIMITED

2800733

FINANCIAL ACCOUNTS FOR THE

YEAR ENDED 31ST MARCH 2004

WOODS & COMPANY

CHARTERED ACCOUNTANTS

KAPPA LAMBDA SQUARED LIMITED

DIRECTORS:	M.R.Gregory R.D.Clark
SECRETARY:	M.R.Gregory
REGISTERED OFFICE:	Lleyn House Crowsley Road Shiplake Oxon RG9 3JT
REGISTERED NUMBER:	2800733
BANKERS:	Lloyds Bank plc 1 Market Place Reading Berkshire RG1 2EQ
SOLICITORS:	Cole & Cole 80 Kings Road Reading Berkshire RG1 3AU
ACCOUNTANTS:	Woods & Company Chartered Accountants Holly Tree House Wellow Bath BA2 8QA

KAPPA LAMBDA SQUARED LIMITED

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2004

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KAPPA LAMBDA SQUARED LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH 2004

The directors present their annual report with the accounts of the Company for the Year ended 31st March 2004.

PRINCIPAL ACTIVITY

The principal activity of the Company in the Year under review was the provision of computer services.

DIRECTORS

The directors in office in the Year and their beneficial interests in the Company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	2004	2003
M.R.Gregory	4,002	4,002
R.D.Clark	500	500

M.R.Gregory retires by rotation and, being eligible, offers himself for re-election.

REPORTING ACCOUNTANTS

The directors consider that for the Year ended 31st March 2004 the Company was entitled to xemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Woods & Company as Reporting Accountants.

Signed on behalf of the board of directors

P.Gregory

P.Gregory

Secretary **10th July 2004**

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS

ON THE UNAUDITED FINANCIAL ACCOUNTS OF

KAPPA LAMBDA SQUARED LIMITED

We report on the financial accounts for the Year ended 31st March 2004 set out on pages 3 to 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 4, the Company's directors are responsible for the preparation of the financial accounts, and they consider that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

(a) the financial accounts are in agreement with those accounting records kept by the Company under section 221 of the Companies Act 1985;

(b) having regard only to, and on the basis of, the information contained in those accounting records:

  (i) the financial accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and

  (ii) the Company satisfied the conditions for exemption from an audit of the financial accounts for the Year specified in section 249A(4) of the Act, and did not, at any time within that Year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

WOODS & COMPANY
Reporting Accountants

Holly Tree House
Wellow
Bath
BA2 8QA

10th July 2004

KAPPA LAMBDA SQUARED LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2004

	Notes	2004		2003	
		£	£	£	£
TURNOVER	2		265,288		240,286
Cost of Sales			10,663		10,181
GROSS PROFIT			254,625		230,105
Net Operating Expenses Administrative Expenses			247,857		223,746
OPERATING PROFIT	3		6,768		6,359
Income from Investments			280		502
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			7,048		6,861
Tax on Ordinary Activities	4		-		-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		£	7,048	£	6,861

STATEMENT OF RETAINED EARNINGS

Retained Profit Brought Forward		40,014		33,153
Retained Profit for the Year		7,048		6,861
RETAINED PROFIT CARRIED FORWARD	£	47,062	£	40,014

None of the Company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5a to 5c form part of these accounts.

KAPPA LAMBDA SQUARED LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2004

	Notes	2004		2003	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	8		3,727		3,771
CURRENT ASSETS					
Debtors	6	85,743		70,436	
Cash at Bank and in Hand		4,671		7,463	
		90,414		77,899	
CREDITORS : Amounts Falling Due within One Year	7	(42,077)		(36,654)	
NET CURRENT ASSETS			48,337		41,245
TOTAL ASSETS LESS CURRENT LIABILITIES			£ 52,064		£ 45,016
CAPITAL AND RESERVES					
Share Capital	9		5,002		5,002
Profit and Loss Account			47,062		40,014
TOTAL SHAREHOLDERS' FUNDS			£ 52,064		£ 45,016

continued ......

KAPPA LAMBDA SQUARED LIMITED

BALANCE SHEET
(continued)
AS AT 31ST MARCH 2004

The directors consider that for the Year ended 31st March 2004 the Company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial Year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985 and 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 accounts, so far as applicable to the Company.

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors

Malcolm Gregory

M.R.Gregory

Director

Approved by the board: 10th July 2004

The notes on pages 5a to 5c form part of these accounts.

KAPPA LAMBDA SQUARED LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2004

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and Equipment	25% on WDV
Fixtures and Fittings	25% on WDV

Leased Assets

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The Company operates a defined contribution pension scheme. Contributions payable for the year are charged to the profit and loss account.

Cash Flow Statement

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

2. TURNOVER

The Turnover and Profit (2003 - Profit) before taxation for the Year is attributable to the principal activity of the Company which is the provision of computer services.

KAPPA LAMBDA SQUARED LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2004

3. OPERATING PROFIT

The Operating Profit (2003 - Profit) is stated after charging:

	2004	2003
	£	£
Depreciation of Tangible Fixed Assets	1,241	1,257
Accountants Remuneration	1,200	1,200

4. TAXATION

The Company has no liability to Corporation Tax for the Year ended 31st March 2004.

5. DIRECTORS' REMUNERATION

	2004	2003
	£	£
Directors' Emoluments	66,100	69,250

6. DEBTORS

	2004	2003
	£	£
Amounts due within one year:		
Trade Debtors	85,743	70,436
	85,743	70,436

7. CREDITORS: Amounts Falling Due within One Year

	2004	2003
	£	£
Trade Creditors	173	2,460
Value Added Tax	19,023	14,148
Sundry Creditors and Accruals	22,881	20,046
	42,077	36,654

KAPPA LAMBDA SQUARED LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2004

8. TANGIBLE FIXED ASSETS

	Plant & Equipment £	Fixtures & Fittings £	TOTAL £
COST			
At 1st April 2003	15,838	5,025	20,863
Additions in the Year	1,197	-	1,197
At 31st March 2004	17,035	5,025	22,060
DEPRECIATION			
At 1st April 2003	12,129	4,963	17,092
Charge for the Year	1,226	15	1,241
At 31st March 2004	13,355	4,978	18,333
NET BOOK VALUE			
At 31st March 2004	3,680	47	3,727
At 31st March 2003	3,709	62	3,771

9. SHARE CAPITAL

	2004 £	2003 £
Authorised	100,000	100,000
Allotted, Issued and Fully Paid	5,002	5,002