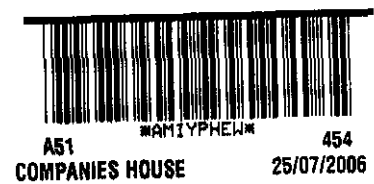


KAPPA LAMBDA SQUARED LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST MARCH 2006



WOODS & COMPANY
REPORTING ACCOUNTANTS

KAPPA LAMBDA SQUARED LIMITED

DIRECTORS:	M.R.Gregory R.D.Clark
SECRETARY:	P.L.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 Holly Tree House Wellow Bath BA2 8QA

KAPPA LAMBDA SQUARED LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2006

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1. Report of the Directors
2. Accountants' Report
3. Profit and Loss Account
4. Balance Sheet
5. Notes to the Accounts

The following page does not form part of the Statutory Accounts

6. Trading and Profit and Loss Account

KAPPA LAMBDA SQUARED LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2006

The directors present their annual report with the accounts of the Company for the Year ended 31st March 2006.

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	
	<u>2006</u>	<u>2005</u>
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 2006 the Company was entitled to exemption from a statutory audit under section 249(A) 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.L.Gregory

Secretary

26th June 2006

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 2006 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.

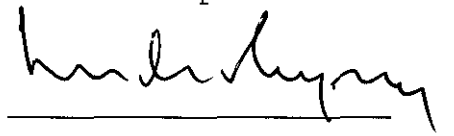
BASIS OF OPINION

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

26th June 2006

KAPPA LAMBDA SQUARED LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
		£	£
TURNOVER	2	449,339 ✓	388,957
Cost of Sales		106,325 ✓	58,475
<u>GROSS PROFIT</u>		343,014 ✓	330,482
Net Operating Expenses			
Administrative Expenses		340,707	329,973
<u>OPERATING PROFIT</u>	3	2,307	509
		2,307	1,121
Income from Investments		659 ✓	492
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		2,966	1,001
Tax on Ordinary Activities	4	-	-
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		£ 2,966	£ 1,001

STATEMENT OF RETAINED EARNINGS

Retained Profit Brought Forward	48,063	47,062
Retained Profit for the Year	2,966	1,001
<u>RETAINED PROFIT CARRIED FORWARD</u>	£ 51,029	£ 48,063

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 LIMITEDBALANCE SHEETAS AT 31ST MARCH 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
		£	£
FIXED ASSETS			
Tangible Assets	8	3,425 ✓	4,130
CURRENT ASSETS			
Debtors	6	102,325 ✓	152,013
Cash at Bank and in Hand		38,347 ✓	7,983
		<u>140,672 ✓</u>	<u>159,996</u>
CREDITORS : Amounts Falling Due within One Year	7	<u>(88,066) ✓</u>	<u>(111,061)</u>
NET CURRENT ASSETS		<u>52,606 ✓</u>	<u>48,935</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 56,031 ✓</u>	<u>£ 53,065</u>
CAPITAL AND RESERVES			
Share Capital	9	5,002 ✓	5,002
Profit and Loss Account		<u>51,029</u>	<u>48,063</u>
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u>£ 56,031 ✓</u>	<u>£ 53,065</u>

continued

KAPPA LAMBDA SQUARED LIMITED

BALANCE SHEET

(continued)

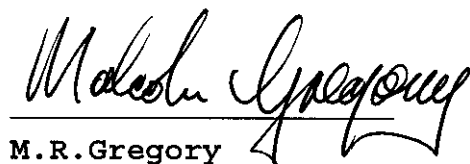
AS AT 31ST MARCH 2006

The directors consider that for the Year ended 31st March 2006 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


M.R. Gregory

Director

Approved by the board: 26th June 2006

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 2006****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 (2005 - 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 LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31ST MARCH 20063. OPERATING PROFIT

The Operating Profit (2005 - Profit) is stated after charging:

	<u>2006</u> £	<u>2005</u> £
Depreciation of Tangible Fixed Assets	1,142 ✓	1,377
Accountants' Remuneration	1,200	1,200
	<u> </u>	<u> </u>

4. TAXATION

The Company has no liability to Corporation Tax for the Year ended 31st March 2006.

5. DIRECTORS' REMUNERATION

	<u>2006</u> £	<u>2005</u> £
Directors' Emoluments	80,981	67,108
	<u> </u>	<u> </u>

6. DEBTORS

	<u>2006</u> £	<u>2005</u> £
Amounts due within one year:		
Trade Debtors	102,325	152,013
	<u>102,325</u>	<u>152,013</u>

7. CREDITORS: Amounts Falling Due within One Year

	<u>2006</u> £	<u>2005</u> £
Trade Creditors	17,073	12,056
Value Added Tax	24,928	28,147
Sundry Creditors and Accruals	46,065	70,858
	<u>88,066</u>	<u>111,061</u>

KAPPA LAMBDA SQUARED LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST MARCH 2006****8. TANGIBLE FIXED ASSETS**

Plant & Equipment £	Fixtures & Fittings £	TOTAL £
---------------------------	-----------------------------	------------

COST

At 1st April 2005	18,815	5,025	23,840
Additions in the Year	437	-	437
At 31st March 2006	19,252	5,025	24,277

DEPRECIATION

At 1st April 2005	14,720	4,990	19,710
Charge for the Year	1,133	9	1,142
At 31st March 2006	15,853	4,999	20,852

NET BOOK VALUE

At 31st March 2006	3,399	26	3,425
At 31st March 2005	4,095	35	4,130

9. SHARE CAPITAL

	<u>2006</u> £	<u>2005</u> £
Authorised	100,000	100,000
Allotted, Issued and Fully Paid	5,002	5,002