Company Registration No. 0097136 (England and Wales)

MATCHCODE SYSTEMS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004



MATCHCODE SYSTEMS LIMITED

COMPANY INFORMATION

Directors	Mr. A Lewin Mrs A Lewin
Secretary	Mrs A Lewin
Company number	0097136
Registered office	27 Hampstead Way London NW11 7HN
Auditors	Crane & Partners Sussex House 8-10 Homesdale Road Bromley Kent BR2 9LZ

MATCHCODE SYSTEMS LIMITED

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MATCHCODE SYSTEMS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and financial statements for the year ended 31 March 2004.

Principal activities
The principal activity of the company continued to be that of a management company.

Directors
The following directors have held office since 1 April 2003:

Mr. A Lewin
Mrs A Lewin

Directors' interests
The directors' interests in the shares of the company were as stated below:

	Ordinary shares of 1p each	
	31 March 2004	**1 April 2003**
Mr. A Lewin	-	-
Mrs A Lewin	-	-

Auditors
In accordance with section 385 of the Companies Act 1985, a resolution proposing that Crane & Partners be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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;
-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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

Mr. A Lewin
Director
24 Nov 05

MATCHCODE SYSTEMS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MATCHCODE SYSTEMS LIMITED

We have audited the financial statements of Matchcode Systems Limited on pages 3 to 7 for the year ended 31 March 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Crane & Partners

Crane & Partners
Chartered Accountants
Registered Auditor

27/1/2005

Sussex House
8-10 Homesdale Road
Bromley
Kent
BR2 9LZ

MATCHCODE SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
Turnover		79,167	55,478
Administrative expenses		2,032	(20,776)
Operating profit		81,199	34,702
Other interest receivable and similar income		548	4,901
Interest payable and similar charges		(4)	(1)
Profit on ordinary activities before taxation		81,743	39,602
Tax on profit on ordinary activities	**2**	(21,615)	(7,810)
Profit on ordinary activities after taxation	**6**	60,128	31,792

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

MATCHCODE SYSTEMS LIMITED

BALANCE SHEET
AS AT 31 MARCH 2004

	Notes	2004 £	£	2003 £	£
Current assets					
Debtors	3	117,673		518,632	
Cash at bank and in hand		472,072		49	
		589,745		518,681	
Creditors: amounts falling due within one year	4	(27,013)		(16,078)	
Total assets less current liabilities			562,732		502,603
Capital and reserves					
Called up share capital	5		1		1
Other reserves	6		1		1
Profit and loss account	6		562,730		502,601
Shareholders' funds - equity interests	7		562,732		502,603

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 24 Jan 05

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Mr A Lewin
Director

MATCHCODE SYSTEMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advatage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Taxation

	2004	2003
	£	£
Domestic current year tax		
U.K. corporation tax	21,615	7,813
Adjustment for prior years	-	(3)
Current tax charge	21,615	7,810
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	81,743	39,602
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.44% (2003: 19.73%)	21,613	7,813
Effects of:		
Adjustments to previous periods	-	(3)
Other tax adjustments	2	-
	2	(3)
Current tax charge	21,615	7,810

3 Debtors

	2004	2003
	£	£
Other debtors	117,673	518,632

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

4 Creditors: amounts falling due within one year	2004 £	2003 £
Taxation and social security	26,633	12,857
Other creditors	380	3,221
	27,013	16,078

5 Share capital	2004 £	2003 £
Authorised		
1,000,000 Ordinary shares of 1p each	10,000	10,000
Allotted, called up and fully paid		
100 Ordinary shares of 1p each	1	1

6 **Statement of movements on reserves**

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2003	1	502,602
Retained profit for the year	-	60,128
Balance at 31 March 2004	1	562,730

Other reserves
Reserves provided for by the Articles of Association

Balance at 1 April 2003 & at 31 March 2004	1

7 Reconciliation of movements in shareholders' funds	2004 £	2003 £
Profit for the financial year	60,128	31,792
Opening shareholders' funds	502,603	470,811
Closing shareholders' funds	562,732	502,603

9 Control

The ultimate controlling party is the SICA UK Trust, a discretionary trust of which Mr A Lewin is a trustee.

Related party transactions

During the year the company sold goods and services to the value of £79,166 (2003:£55,478) to the Scandex Limited group of companies. also during the year the Scandex Limited group of companies paid amounts totalling £775 (2003:£233) on behalf of the company.

At the balance sheet date the company was owed £NIL by (2003:£407,130) the Scandex Limited group of companies.

Mr A Lewin is a director of and has an interest in the share capital of Scandex limited, the parent company of the Scandex Limited group, and is also a director of Matchcode Systems Limited.