Registered no. 2481183

PROSYS COMPUTING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

BRANSCOMBE ACCOUNTANCY SERVICES LIMITED
2 BRANSCOMBE WALK
PORTISHEAD
BRISTOL
BS20 8LP

PROSYS COMPUTING LIMITED

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For information of the director only:

PROSYS COMPUTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2003

The director presents his report and the financial statements of the company for the year ended 31 March 2003.

Director's Responsibilities

Company law requires the director 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 director is 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Directors

G.V.Morgan

Secretary

C.M.Morgan

Registered Office

Titan House
Cardiff Bay Business Centre
Lewis Road
Ocean Park
Cardiff
CF25 5BS

Principal Activity

The principal activity of the company throughout the year was that of computer programming and systems consultancy, and supply of computer hardware, software and support services.

Directors

The present director is shown above. He served on the board throughout the year.

The company's Articles of Association do not require directors to retire by rotation.

Director's Interests

The interests of the director in the shares of the company at the beginning and end of the year, were as follows:

	31 March 2003	1 April 2002
G.V.Morgan		
Beneficial interests	1	1

PROSYS COMPUTING LIMITED

DIRECTOR`S REPORT FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

Small company

The director`s 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

C Morgan

C.M.MORGAN - SECRETARY

Date: 30/1/04

PROSYS COMPUTING LIMITED

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS TO THE DIRECTOR OF PROSYS COMPUTING LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2003, set out on pages 4 to 12 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 from information and explanations supplied to us.

BRANSCOMBE ACCOUNTANCY SERVICES LTD

Date: 30th JANUARY 2004

Branscombe Accountancy Services Limited
2 Branscombe Walk
Portishead
Bristol
BS20 8LP

PROSYS COMPUTING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003 £	2002 £
TURNOVER	2	332,206	355,736
Cost of sales		(118,777)	(176,908)
GROSS PROFIT		213,429	178,828
Net operating expenses	3	(173,757)	(142,407)
OPERATING PROFIT	4	39,672	36,421
Other interest receivable and similar income		1	5
Interest payable and similar charges		(2,678)	(4,728)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		36,995	31,698
Tax on profit on ordinary activities	5	(6,741)	(6,505)
PROFIT FOR THE FINANCIAL YEAR		30,254	25,193
Dividends	6	(30,200)	(25,200)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		54	(7)
Retained profit/(loss) brought forward		29	36
RETAINED PROFIT CARRIED FORWARD		83	29

The annexed notes form part of these financial statements.

PROSYS COMPUTING LIMITED

BALANCE SHEET AT 31 MARCH 2003

	Note		2003 £		2002 £
FIXED ASSETS					
Tangible assets	7		15,514		18,719
CURRENT ASSETS					
Debtors	8	132,779		127,132	
Cash at bank and in hand		3,379		662	
		136,158		127,794	
CREDITORS					
Amounts falling due within one year	9	(140,760)		(129,579)	
NET CURRENT (LIABILITIES)/ASSETS			(4,602)		(1,785)
TOTAL ASSETS LESS CURRENT LIABILITIES			10,912		16,934
CREDITORS					
Amounts falling due after more than one year	10		(10,827)		(16,903)
PROVISIONS FOR LIABILITIES AND CHARGES	11		-		-
NET ASSETS			85		31
CAPITAL AND RESERVES					
Called up share capital	12		2		2
Profit and loss account			83		29
SHAREHOLDERS` FUNDS			85		31

PROSYS COMPUTING LIMITED

BALANCE SHEET AT 31 MARCH 2003 (CONT)

The director is satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to the accounts for the financial year.

The director acknowledges his responsibilities for:

i ensuring that the company keeps 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 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 this Act relating to accounts, so far as applicable to the company.

The financial statements have been 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 March 2000).

These financial statements were approved by the director on 30/1/04

G.V.Morgan

G.V.MORGAN - DIRECTOR

The annexed notes form part of these financial statements.

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effect of events in relation to the year ended 31 March 2003 which occurred before the date of approval of the financial statements by the director, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 March 2003 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Plant and machinery	- 20% per annum of cost
Fixtures and fittings	- 20% per annum of cost
Motor vehicles	- 25% per annum of cost

2. TURNOVER

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year.

3. NET OPERATING EXPENSES

	2003 £	2002 £
Administrative expenses	173,757	142,407

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2003 £	2002 £
Loss on sale of fixed assets	-	-
Depreciation and amortisation of owned assets	4,706	5,785

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

5. TAXATION

	2003 £	2002 £
Current year		
Corporation tax at 20% *(2002 20%)*	6,741	6,106
Deferred tax at 20%	-	399
	6,741	6,505
UK corporation tax on profits of the year	6,741	6,106
Deferred tax provided for	-	399
Tax on profit on ordinary activities	6,741	6,505

	2003 £	2002 £
Corporation tax charge	6,741	6,106
Deferred taxation	-	399
	6,741	6,505

6. DIVIDENDS

	2003 £	2002 £
On ordinary shares		
Final dividend paid	30,200	25,200

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2002	7,703	3,632	23,568	34,903
Additions	1,421	80	-	1,501
At 31 March 2003	9,124	3,712	23,568	36,404
Depreciation				
At 1 April 2002	4,617	1,256	10,311	16,184
Charge for the year	901	491	3,314	4,706
At 31 March 2003	5,518	1,747	13,625	20,890
Net book value				
At 31 March 2003	3,606	1,965	9,943	15,514
At 31 March 2002	*3,086*	*13,257*	*2,376*	*18,719*

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

8. DEBTORS

	2003 £	2002 £
Trade debtors	68,873	53,979
Section 419 tax recoverable	5,536	13,443
Other debtors	58,370	59,710
	132,779	127,132

9. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2003 £	2002 £
Bank loans and overdrafts	2,531	35,523
Obligations under finance leases and hire purchase contracts	5,028	5,236
Trade creditors	89,376	42,478
Corporation tax payable	17,838	11,097
Section 419 tax payable	5,536	13,443
Social security and other taxes	17,735	19,562
Other creditors	2,716	2,240
	140,760	129,579

10. CREDITORS - AMOUNTS DUE AFTER ONE YEAR

	2003 £	2002 £
Bank loans	9,643	10,691
Obligations under finance leases and hire purchase contracts	1,184	6,212
	10,827	16,903

Obligations under finance leases and hire purchase contracts are secured.

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003 (CONT)

11. SHARE CAPITAL

	2003 £	2002 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

12. TRANSACTIONS WITH DIRECTORS

Director's overdrawn current account

During the year the director had an overdrawn balance with the company as follows:

	2003 £
Balance outstanding at 1 April 2002	53,773
Maximum balance outstanding during the year	82,415
Balance outstanding at 31 March 2003	52,215

No interest has or will be charged on overdue amounts.