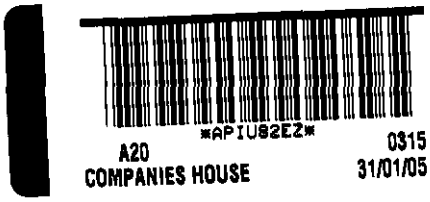
Registered no. 2481183

PROSYS COMPUTING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

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



PROSYS COMPUTING LIMITED

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For information of the director only:

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PROSYS COMPUTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2004

The director presents his report and the financial statements of the company for the year ended 31 March 2004.

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 2004	1 April 2003
G.V.Morgan		
Beneficial interests	1	1

PROSYS COMPUTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2004 (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.M.MORGAN - SECRETARY

Date: 29/1/2005

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 2004, set out on pages 4 to 11 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: 29/1/05

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

PROSYS COMPUTING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Note	2004 £	2003 £
TURNOVER	2	430,533	332,206
Cost of sales		(133,617)	(118,777)
GROSS PROFIT		296,916	213,429
Net operating expenses	3	(220,208)	(173,757)
OPERATING PROFIT	4	76,708	39,672
Other interest receivable and similar income		5,002	1
Interest payable and similar charges		(3,658)	(2,678)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78,052	36,995
Tax on profit on ordinary activities	5	(15,402)	(6,741)
PROFIT FOR THE FINANCIAL YEAR		62,650	30,254
Dividends	6	(21,000)	(30,200)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		41,650	54
Retained profit/(loss) brought forward		83	29
RETAINED PROFIT CARRIED FORWARD		41,733	83

The annexed notes form part of these financial statements.

PROSYS COMPUTING LIMITED

BALANCE SHEET AT 31 MARCH 2004

	Note		2004 £		2003 £
FIXED ASSETS					
Tangible assets	7		35,458		15,514
CURRENT ASSETS					
Debtors	8	186,099		140,686	
Cash at bank and in hand		816		3,379	
		186,915		144,065	
CREDITORS					
Amounts falling due within one year	9	(154,003)		(148,667)	
NET CURRENT ASSETS/(LIABILITIES)			32,912		(4,602)
TOTAL ASSETS LESS CURRENT LIABILITIES			68,370		10,912
CREDITORS					
Amounts falling due after more than one year	10		(26,635)		(10,827)
PROVISIONS FOR LIABILITIES AND CHARGES			-		-
NET ASSETS			41,735		85
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account			41,733		83
SHAREHOLDERS' FUNDS			41,735		85

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 June 2002).

These financial statements were approved by the director on 29/1/05

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 2004

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 2004 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 2004 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

	2004 £	2003 £
Administrative expenses	220,208	173,757

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004 (CONT)

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004 £	2003 £
Directors' remuneration	2,000	
Profit on sale of fixed assets	(57)	-
Depreciation and amortisation of owned assets	11,209	4,706

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004 (CONT)

5. TAXATION

Analysis of charge in period	**2004** £	**2003** £
Current tax:		
UK corporation tax on profits of the year	15,402	6,741
Total current tax	15,402	6,741
Deferred tax:		
Deferred tax at 19%	-	-
Prior year adjustment	-	-
Tax on profit on ordinary activities	15,402	6,741

Factors affecting tax charge for the period

The tax assessed for the year differs from the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2004 £	**2003** £
Profit on ordinary activities before tax	78,052	36,995
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (19%)	14,830	7,029
Effects of		
Permanent timing differences	604	412
Prior year adjustment deferred tax	-	-
Deferred tax not provided for	(32)	(148)
Marginal rate of corporation tax	-	(552)
Additional tax due to distribution	-	-
Current tax charge for year	15,402	6,741

6. DIVIDENDS

	2004 £	**2003** £
On ordinary shares		
Final dividend paid	21,000	30,200

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004 (CONT)

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2003	9,124	3,712	23,568	36,404
Additions	2,525	1,094	37,477	41,096
Disposals	-	-	(23,568)	(23,568)
At 31 March 2004	11,649	4,806	37,477	53,932
Depreciation				
At 1 April 2003	5,518	1,747	13,625	20,890
Charge for the year	1,227	612	9,370	11,209
Adjustments re. disposals	-	-	(13,625)	(13,625)
At 31 March 2004	6,745	2,359	9,370	18,474
Net book value				
At 31 March 2004	4,904	2,447	28,107	35,458
At 31 March 2003	*3,606*	*1,965*	*9,943*	*15,514*

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004 (CONT)

8. DEBTORS

	2004 £	2003 £
Trade debtors	89,959	68,873
Section 419 tax recoverable	19476	13,443
Other debtors	82,697	58,370
	192,132	140,686

9. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2004 £	2003 £
Bank loans and overdrafts	25,850	2,531
Obligations under finance leases and hire purchase contracts	8,088	5,028
Trade creditors	39,586	89,376
Corporation tax payable	33,240	17,838
Section 419 tax payable	19,476	13,443
Social security and other taxes	29,835	17,735
Other creditors	3,961	2,716
	130,201	148,667

10. CREDITORS - AMOUNTS DUE AFTER ONE YEAR

	2004 £	2003 £
Bank loans	8,437	9,643
Obligations under finance leases and hire purchase contracts	18,198	1,184
	26,635	10,827

Obligations under finance leases and hire purchase contracts are secured.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004 (CONT)

11. SHARE CAPITAL

	2004 £	2003 £
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:

	2004 £
Balance outstanding at 1 April 2003	52,215
Maximum balance outstanding during the year	97,348
Balance outstanding at 31 March 2004	76,348

No interest has or will be charged on overdue amounts.