

Registered no. 2481183

PROSYS COMPUTING LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

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



PROSYS COMPUTING LIMITED

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PROSYS COMPUTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2005

The director presents his report and the financial statements of the company for the year ended 31 March 2005.

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 2005	1 April 2004
G.V.Morgan		
Beneficial interests	1	1

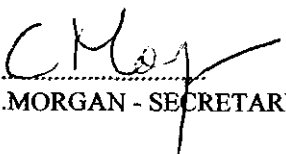
PROSYS COMPUTING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2005 (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: 30/1/06

PROSYS COMPUTING LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF PROSYS COMPUTING LIMITED

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

You have acknowledged on the balance sheet for the year ended 31 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we do not, therefore, express an audit opinion on the financial statements.

Branscombe Accountancy Services Ltd.
Branscombe Accountancy Services Limited

Date: *30/1/06*

2 Branscombe Walk
Portishead
Bristol
BS20 8LP

PROSYS COMPUTING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 £	2004 £
TURNOVER	2	572,458	430,533
Cost of sales		(217,369)	(133,617)
GROSS PROFIT		355,089	296,916
Net operating expenses	3	(315,494)	(220,208)
OPERATING PROFIT	4	39,595	76,708
Other interest receivable and similar income		7	5,002
Interest payable and similar charges		(2,313)	(3,658)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		37,289	78,052
Tax on profit on ordinary activities	5	(7,202)	(15,402)
PROFIT FOR THE FINANCIAL YEAR		30,087	62,650
Dividends	6	(12,000)	(21,000)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		18,087	41,650
Retained profit/(loss) brought forward		41,733	83
RETAINED PROFIT CARRIED FORWARD		59,820	41,733

The annexed notes form part of these financial statements.

PROSYS COMPUTING LIMITED

BALANCE SHEET AT 31 MARCH 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible assets	7	33,267	35,458
CURRENT ASSETS			
Debtors	8	217,549	186,099
Cash at bank and in hand		735	816
		<u>218,284</u>	<u>186,915</u>
CREDITORS			
Amounts falling due within one year	9	(174,743)	(154,003)
NET CURRENT ASSETS/(LIABILITIES)		<u>43,541</u>	<u>32,912</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>76,808</u>	<u>63,870</u>
CREDITORS			
Amounts falling due after more than one year	10	(16,986)	(26,635)
PROVISIONS FOR LIABILITIES AND CHARGES		-	-
NET ASSETS		<u>59,822</u>	<u>41,735</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Profit and loss account		59,820	41,733
SHAREHOLDERS' FUNDS		<u>59,822</u>	<u>41,735</u>

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 30/6/06

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 2005

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 2005 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 2005 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

	2005 £	2004 £
Administrative expenses	315,494	220,208

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (CONT)

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2005 £	2004 £
Directors' remuneration	12,000	2,000
Profit on sale of fixed assets	-	(57)
Depreciation and amortisation of owned assets	10,074	11,209

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (CONT)

5. TAXATION

Analysis of charge in period	2005 £	2004 £
Current tax:		
UK corporation tax on profits of the year	7,202	15,402
Total current tax	7,202	15,402
Deferred tax:		
Deferred tax at 19%	-	-
Prior year adjustment	-	-
Tax on profit on ordinary activities	7,202	15,402

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:

	2005 £	2004 £
Profit on ordinary activities before tax	37,289	78,052
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (19%)	7,085	14,830
Effects of		
Permanent timing differences	9	604
Prior year adjustment deferred tax	-	-
Deferred tax not provided for	451	(32)
Marginal rate of corporation tax	(488)	-
Additional tax due to distribution	145	-
Current tax charge for year	7,202	15,402

6. DIVIDENDS

	2005 £	2004 £
On ordinary shares		
Final dividend paid	12,000	21,000

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (CONT)

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2004	11,649	4,806	37,477	53,932
Additions	3,794	4,089	-	7,883
Disposals	-	-	-	-
At 31 March 2005	<u>15,443</u>	<u>8,895</u>	<u>37,477</u>	<u>61,815</u>
Depreciation				
At 1 April 2004	6,745	2,359	9,370	18,474
Charge for the year	1,739	1,308	7,027	10,074
Adjustments re. disposals	-	-	-	-
At 31 March 2005	<u>8,484</u>	<u>3,667</u>	<u>16,397</u>	<u>28,548</u>
Net book value				
At 31 March 2005	<u>6,959</u>	<u>5,228</u>	<u>21,080</u>	<u>33,267</u>
At 31 March 2004	<u>4,904</u>	<u>2,447</u>	<u>28,107</u>	<u>35,458</u>

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (CONT)

8. DEBTORS

	2005 £	2004 £
Trade debtors	94,581	89,959
Section 419 tax recoverable	19,476	19,476
Other debtors	103,492	82,697
	<u>217,549</u>	<u>192,132</u>

9. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2005 £	2004 £
Bank loans and overdrafts	33,146	25,850
Obligations under finance leases and hire purchase contracts	8,088	8,088
Trade creditors	51,637	39,586
Corporation tax payable	40,442	33,240
Section 419 tax payable	19,476	19,476
Social security and other taxes	15,877	29,835
Other creditors	6,077	3,961
	<u>174,743</u>	<u>130,201</u>

10. CREDITORS - AMOUNTS DUE AFTER ONE YEAR

	2005 £	2004 £
Bank loans	6,876	8,437
Obligations under finance leases and hire purchase contracts	10,110	18,198
	<u>16,986</u>	<u>26,635</u>

Obligations under finance leases and hire purchase contracts are secured.

PROSYS COMPUTING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (CONT)

11. SHARE CAPITAL

	2005 £	2004 £
Authorised		
100 ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

12. TRANSACTIONS WITH DIRECTORS

Director's overdrawn current account

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

	2005 £
Balance outstanding at 1 April 2004	76,348
Maximum balance outstanding during the year	97,433
Balance outstanding at 31 March 2005	97,433
	<u> </u>

No interest has or will be charged on overdue amounts.