

Software Dynamics Limited
Director's Report and
Financial Statements
for the period ended 30 June 2004



Company number 3072941 (England and Wales)

Software Dynamics Limited
Company information

Director

C Gibson

Company secretary

A Gibson

Company number

3072941 (England and Wales)

Software Dynamics Limited
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Software Dynamics Limited
Director's report for the period ended 30 June 2004

The director presents his report and the financial statements for the period ended 30 June 2004.

Principal activities

The company's principal activity continues to be computer consultancy.

Directors

The director who served during the year and his beneficial interest in the company's issued ordinary share capital was:

	Class	Number of shares	
		2004	2003
C Gibson	Ordinary £1 shares	1	1

This report was approved by the board on 22 April 2005 taking advantage of special exemptions available to small companies conferred by Part II of Schedule 8 of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Signed on behalf of the board of directors



C Gibson
Director

Software Dynamics Limited
Profit and loss account for the period ended 30 June 2004

	Notes	2004	2003
		£	£
Turnover	2	70,860	78,720
Sale of Asset		3,750	-
Administrative expenses		<u>25,228</u>	<u>25,765</u>
Operating profit	3	49,382	52,955
Interest received		<u>57</u>	<u>79</u>
Profit on ordinary activities before taxation		49,439	53,034
Taxation	4	<u>8,566</u>	<u>9,977</u>
Profit for the financial year		40,873	43,057
Dividends	5	<u>33,000</u>	<u>40,500</u>
Retained profit for the year		7,873	2,557
Retained loss brought forward		<u>(8,814)</u>	<u>(11,371)</u>
Retained loss carried forward		<u>(941)</u>	<u>(8,814)</u>

There were no recognised gains or losses other than those included in the profit and loss account.

The operations of the company are all continuing.

The notes on pages 4 to 7 form part of these financial statements.

Software Dynamics Limited
Balance sheet as at 30 June 2004

	Notes	2004		2003	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		1,055		-
Current assets					
Debtors	7		-	16,547	
Cash at bank and in hand		<u>8,627</u>		<u>251</u>	
		8,627		16,798	
Creditors: amounts falling due within one year	8	<u>10,621</u>		<u>25,610</u>	
Net current liabilities			<u>(1,994)</u>		<u>(8,812)</u>
Net assets			<u>(939)</u>		<u>(8,812)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>(941)</u>		<u>(8,814)</u>
Shareholders funds	10		<u>(939)</u>		<u>(8,812)</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A (1) of the Companies Act 1985. Members have not required the company, under section 249B (2) of the Companies Act 1985, to obtain an audit for the year ended 30 June 2004. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The director acknowledges his responsibility for ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 June 2004 and of its profit and loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

Approved by the board on 22 April 2005 and signed on its behalf. The director has relied upon special exemptions available to small companies conferred by Part 1 of Schedule 8 of the Companies Act 1985 on the grounds that the company qualifies as a small company by virtue of section 247 of the Act and the Financial Reporting Standard for Smaller Entities (effective June 2002).


C Gibson
Director

The notes on pages 4 to 7 form part of these financial statements.

Software Dynamics Limited
Notes to the financial statements for the period ended 30 June 2004

1 Accounting policies

1.1 Basis of preparation of accounts

The accounts are prepared under the historic cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

The company's principal activity is exposed to inherent uncertainties and global market fluctuations beyond the control of the company's management. The company meets its working capital requirements from its day to day activities in this market place and the director considers that the company will continue to operate on this basis and that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a downturn in the market in which it operates.

The company has taken advantage of the exemption in Financial Reporting Standard number 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over the expected lives on the following basis:

Computer equipment	33% straight line
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1.4 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounting purposes, 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 near future.

1.5 Pension contributions

The company operates a defined contribution scheme on behalf of the director. Contributions are charged to the profit and loss account to which they relate.

Software Dynamics Limited

Notes to the financial statements for the period ended 30 June 2004, continued

2 Turnover

The company's turnover is wholly attributable to the principal activity.

2004	2003
£	£

3 Operating profit

The operating profit is stated after charging:

Depreciation of tangible fixed assets:

Owned	519	-
Pension contributions	100	600
Director remuneration	<u>6,000</u>	<u>6,000</u>

The number of directors to whom retirement benefits are accruing under money purchase schemes was 1.

4 Taxation

United Kingdom Corporation Tax at 19%

Current year	8,566	9,977
Prior year	<u>-</u>	<u>-</u>
	<u>8,566</u>	<u>9,977</u>

5 Dividends

Interim dividend	<u>-</u>	<u>40,500</u>
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Software Dynamics Limited

Notes to the financial statements for the period ended 30 June 2004, continued

6 Tangible fixed assets

	Computer equipment £	Total £
Cost		
As at 1 July 2003	4,392	4,392
Additions	1,574	1,574
Disposals	<u>-</u>	<u>-</u>
As at 30 June 2004	<u>5,966</u>	<u>5,966</u>
Depreciation		
As at 1 July 2003	4,392	4,392
Charge for the year	519	519
Eliminated on disposal	<u>-</u>	<u>-</u>
As at 30 June 2004	<u>4,911</u>	<u>4,911</u>
Net book amounts		
As at 30 June 2004	<u>1,055</u>	<u>1,055</u>
As at 30 June 2003	<u>-</u>	<u>-</u>

7 Debtors	2004 £	2003 £
Due within one year		
Trade debtors	-	16,450
Director's loan account	-	-
Other taxation recoverable	<u>-</u>	<u>97</u>
	<u>-</u>	<u>16,547</u>

Software Dynamics Limited

Notes to the financial statements for the period ended 30 June 2004, continued

8	Creditors: amounts due within one year	2004	2003
		£	£
	Director's loan account	152	1,431
	Corporation tax	8,533	9,961
	Taxation and social security costs	1,836	14,218
	Accruals	100	-
		<u>10,621</u>	<u>25,610</u>

9 Called up share capital

Authorised		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 Reconciliation of movement in shareholders fund

Shareholders funds brought forward	(8,812)	(11,369)
Issue of shares	-	-
Profit for the year	<u>7,873</u>	<u>2,557</u>
Shareholders funds carried forward	<u>(939)</u>	<u>(8,812)</u>

11 Related parties and transactions with director

During the year C Gibson had a director's loan account with the company. The loan is interest free and there are no fixed terms of repayment. The balance outstanding at the balance sheet date was £152 due from the company. (2003 £1,431 due from the company) and the maximum balance outstanding during the year was £38,414 (2003: £1,431)