

REGISTER

Company Registration No. 1831793 (England and Wales)

**MICRO MINDER PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**



**JOHN CUMMING ROSS
150 STRAND
LONDON
WC2R 1JA**

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23/10/01

MICRO MINDER PLC

COMPANY INFORMATION

Directors

Mr B G Sheth

Miss J Gajjar

(Appointed 23 October 2001)

Mr K Shah

(Appointed 23 October 2001)

Secretary

Mr V Shah

Company number

1831793

Registered office

8A Wadsworth Road

Perivale, Greenford

Middlesex

UB6 7JD

Auditors

John Cumming Ross

150 Strand

London

WC2R 1JA

Bankers

National Westminster Bank PLC

116 Fenchurch Street

London

EC3M 5AK

Solicitors

Kumar & Company

204-226 Imperial Drive

Harrow

Middlesex

HA2 7HH

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MICRO MINDER PLC

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MICRO MINDER PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

The directors present their report and financial statements for the year ended 31 March 2002.

Principal activities and review of the business

The principal activities of the company continued to be that of dealing in computer hardware and software, installation, support, maintenance and the provision of ancillary services.

Post balance sheet events

The company has increased its paid up share capital to £200,000 by allotting 25,000 ordinary shares of £1 each at par by way of script issue.

Future developments

The directors are optimistic about the long-term prospects for continued growth.

Directors

The following directors have held office since 1 April 2001:

Mr B G Sheth	
Mrs K B Sheth	(Resigned 23 October 2001)
Miss J Gajjar	(Appointed 23 October 2001)
Mr K Shah	(Appointed 23 October 2001)

Directors' interests

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

	Ordinary shares of £ 1 each	
	31 March 2002	1 April 2001
Mr B G Sheth	87,500	75,000
Miss J Gajjar	-	-
Mr K Shah	-	-

At the balance sheet date, Mrs K B Sheth, who is Mr B G Sheth's wife owned 87,500 ordinary shares of £1 each (2001: 75,000)

Charitable donations	2002	2001
	£	£
During the year the company made the following payments:		
Charitable donations	966	250

Supplier payment policy

It is the company's policy to settle the terms of payment with suppliers when agreeing each transaction, to ensure that suppliers are made aware of these terms and abide by them. In 2001/2002, it was the company's policy to pay bills 30 days after the date of receipt of the invoice, provided that the goods or work to which the invoice relates have been received or completed to their satisfaction and any credit period has not expired. The trade creditors outstanding at the year end represented 61 days purchases.

Auditors

John Cumming Ross have agreed to offer themselves for re-appointment as auditors of the company.

MICRO MINDER PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

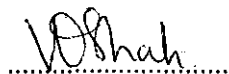
Directors' responsibilities

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.

By order of the board


.....

Mr V Shah
Secretary

...16/10/2002

MICRO MINDER PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MICRO MINDER PLC

We have audited the financial statements of MICRO MINDER PLC on pages 4 to 14 for the year ended 31 March 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 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.

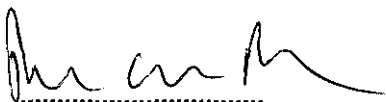
Basis of audit opinion

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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



John Cumming Ross

Chartered Certified Accountants and Registered Auditors

150 Strand

London

WC2R 1JA

23 / 10 / 2002

MICRO MINDER PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover	2	1,217,284	1,114,660
Cost of sales		(892,963)	(798,866)
Gross profit		<u>324,321</u>	<u>315,794</u>
Administrative expenses		(283,207)	(236,479)
Operating profit	3	<u>41,114</u>	<u>79,315</u>
Other interest receivable and similar income	4	710	847
Interest payable and similar charges	5	(189)	(1,761)
Profit on ordinary activities before taxation		<u>41,635</u>	<u>78,401</u>
Tax on profit on ordinary activities	6	(7,375)	(17,910)
Profit on ordinary activities after taxation	13	<u><u>34,260</u></u>	<u><u>60,491</u></u>

Movements in reserves are shown in note 13.

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

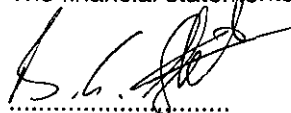
There are no recognised gains and losses other than those passing through the profit and loss account.

MICRO MINDER PLC

BALANCE SHEET AS AT 31 MARCH 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	7		122,662		130,544
Current assets					
Stocks	8	55,489		79,760	
Debtors	9	386,620		378,331	
Cash at bank and in hand		159,682		86,082	
		<u>601,791</u>		<u>544,173</u>	
Creditors: amounts falling due within one year	10	<u>(254,450)</u>		<u>(236,374)</u>	
Net current assets			347,341		307,799
Total assets less current liabilities			470,003		438,343
Creditors: amounts falling due after more than one year	11		(1,950)		(4,550)
			<u>468,053</u>		<u>433,793</u>
Capital and reserves					
Called up share capital	12		175,000		150,000
Profit and loss account	13		293,053		283,793
Shareholders' funds - equity interests	14		<u>468,053</u>		<u>433,793</u>

The financial statements were approved by the Board on 16/10/2002



Mr B G Sheth
Director

MICRO MINDER PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2002

	2002		2001	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		98,602		(659)
Returns on investments and servicing of finance				
Interest received	710		847	
Interest paid	(189)		(1,761)	
Net cash inflow/(outflow) for returns on investments and servicing of finance		521		(914)
Taxation		(17,648)		(28,030)
Capital expenditure				
Payments to acquire tangible assets	(3,114)		(9,594)	
Receipts from sales of tangible assets	-		11,091	
Net cash (outflow)/inflow for capital expenditure		(3,114)		1,497
Net cash inflow/(outflow) before management of liquid resources and financing		78,361		(28,106)
Financing				
Repayment of long term bank loan	-		(15,749)	
Capital element of hire purchase contracts	(2,600)		(7,788)	
Net cash outflow from financing		(2,600)		(23,537)
Increase/(decrease) in cash in the year		75,761		(51,643)

MICRO MINDER PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2002

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2002 £	2001 £
	Operating profit	41,114	79,315
	Depreciation of tangible assets	10,996	19,053
	Profit on disposal of tangible assets	-	(201)
	Decrease/(increase) in stocks	24,271	(30,070)
	(Increase)/decrease in debtors	(6,356)	23,517
	Increase/(decrease) in creditors within one year	28,577	(92,273)
	Net cash inflow/(outflow) from operating activities	98,602	(659)

2	Analysis of net funds	1 April 2001 £	Cash flow £	Other non- cash changes £	31 March 2002 £
	Net cash:				
	Cash at bank and in hand	86,082	73,600	-	159,682
	Bank overdrafts	(35,010)	2,161	-	(32,849)
		<u>51,072</u>	<u>75,761</u>	<u>-</u>	<u>126,833</u>
	Debt:				
	Finance leases	(7,150)	2,600	-	(4,550)
	Net funds	<u>43,922</u>	<u>78,361</u>	<u>-</u>	<u>122,283</u>

3	Reconciliation of net cash flow to movement in net funds	2002 £	2001 £
	Increase/(decrease) in cash in the year	75,761	(51,643)
	Cash outflow from decrease in debt and lease financing	2,600	23,537
	Movement in net funds in the year	78,361	(28,106)
	Opening net funds	43,922	72,028
	Closing net funds	<u>122,283</u>	<u>43,922</u>

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2.5% p.a. on a straight line basis
Plant and machinery	25% p.a. on a straight line basis
Fixtures, fittings & equipment	25% p.a. on a straight line basis
Motor vehicles	25% p.a. on a straight line basis

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.6 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.

1.7 Debtors

Factored debts are included on the balance sheet within debtors. The proceeds received from the factor are included as secured liabilities and factoring charges are recognised as they accrue.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

MICRO MINDER PLC

8/9/2002
2/10/02

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

3	Operating profit	2002	2001
		£	£
	Operating profit is stated after charging:		
	Staff costs	318,204	255,093
	Depreciation of tangible assets	10,996	19,053
	Operating lease rentals	10,117	8,788
	Auditors' remuneration	4,500	4,000
		<u> </u>	<u> </u>
	 The total amount charged against profits in respect of finance leases and hire purchase contracts is:		
	- depreciation	2,399	2,778
	- interest payable	90	1,231
		<u> </u>	<u> </u>
		2,489	4,009
		<u> </u>	<u> </u>
 4	 Investment income	 2002	 2001
		£	£
	Interest receivable	710	847
		<u> </u>	<u> </u>
 5	 Interest payable	 2002	 2001
		£	£
	On bank loans and overdrafts	74	530
	Hire purchase interest	90	1,231
	Other interest	25	-
		<u> </u>	<u> </u>
		189	1,761
		<u> </u>	<u> </u>

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

6	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	9,640	17,936
	Adjustment for prior years	(332)	(26)
	Current tax charge	9,308	17,910
	Deferred tax		
	Deferred tax charge/credit current year	(1,933)	-
		7,375	17,910
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	41,635	78,401
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2001 : 20.00%)	8,327	15,680
	Effects of:		
	Non deductible expenses	494	223
	Depreciation	2,199	3,811
	Capital allowances	(1,380)	(2,025)
	Adjustments to previous periods	(332)	(26)
	Other tax adjustments	-	247
		981	2,230
	Current tax charge	9,308	17,910

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2001	142,783	18,111	6,778	43,423	211,095
Additions	-	1,428	1,686	-	3,114
Scrapped	-	(16,818)	(6,583)	-	(23,401)
At 31 March 2002	142,783	2,721	1,881	43,423	190,808
Depreciation					
At 1 April 2001	25,712	17,716	6,693	30,430	80,551
On scrapped	-	(16,818)	(6,583)	-	(23,401)
Charge for the year	3,570	680	349	6,397	10,996
At 31 March 2002	29,282	1,578	459	36,827	68,146
Net book value					
At 31 March 2002	113,501	1,143	1,422	6,596	122,662
At 31 March 2001	117,071	395	85	12,993	130,544

The net book value of fixed assets includes £6,596 (2001: £8,995) in respect of assets held under finance leases and hire purchase contracts.

	2002 £	2001 £
Freehold: Land and building	113,501	117,071

In the opinion of the directors there is no significant difference between the present market value of the property and the amount stated in the financial statements.

8 Stocks

	2002 £	2001 £
Raw materials and finished goods	55,489	79,760

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

9 Debtors	2002 £	2001 £
Trade debtors	195,761	268,601
Factored debtors	168,303	102,077
Other debtors	9,070	4,707
Prepayments and accrued income	11,553	2,946
Deferred tax asset	1,933	-
	<u>386,620</u>	<u>378,331</u>

Included in debtors is £1,933 which relates to a deferred tax asset. The recoverability of this asset is dependent on future taxable profits exceeding those arising from the reversal of the deferred tax liabilities. Based on the historic profits of the company, subsequent trading results and management expectations, it can be regarded as more likely than not that there will be suitable profits from which the future reversals of the underlying timing differences can be deducted.

10 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	32,849	35,010
Net obligations under hire purchase contracts	2,600	2,600
Trade creditors	119,136	131,622
Corporation tax	9,640	17,980
Other taxes and social security costs	25,581	27,283
Directors' current accounts	7,220	9,615
Other creditors	52,749	8,090
Accruals and deferred income	4,675	4,174
	<u>254,450</u>	<u>236,374</u>

The bank overdraft is secured by a debenture over all the assets of the company and a legal mortgage over the freehold property situated at 8A Wadsworth Road, Perivale, Greenford, Middlesex UB6 7JD.

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

11 Creditors: amounts falling due after more than one year	2002	2001
	£	£
Net obligations under hire purchase contracts	1,950	4,550
Net obligations under hire purchase contracts		
Repayable within one year	2,600	2,600
Repayable between one and five years	1,950	4,550
	4,550	7,150
Included in liabilities falling due within one year	(2,600)	(2,600)
	1,950	4,550
12 Share capital	2002	2001
	£	£
Authorised		
Equity shares		
Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
Equity shares		
Ordinary shares of £1 each	150,000	150,000
Bonus issue	25,000	-
	175,000	150,000
13 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 April 2001		283,793
Bonus issue		(25,000)
Retained profit for the year		34,260
Balance at 31 March 2002		293,053

MICRO MINDER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2002

14 Reconciliation of movements in shareholders' funds	2002 £	2001 £
Profit for the financial year	34,260	60,491
Opening shareholders' funds	433,793	373,302
Closing shareholders' funds	468,053	433,793

15 Directors' emoluments	2002 £	2001 £
Emoluments for qualifying services	89,663	69,806

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2002 Number	2001 Number
Office and management	12	10

Employment costs

	£	£
Wages and salaries	289,034	233,646
Social security costs	29,170	21,447
	318,204	255,093

17 Related party transactions

At the balance sheet date the amount owed by the company to the directors amounted to £7,220 (2001: £12,115)

For the whole year the company was under the control of Mr B G Sheth.

18 Post balance sheet events

The company has increased its paid up share capital by £25,000 by allotting 25,000 ordinary shares of £1 each at par by way of script issue.