2799021 (England and Wales)

Care Computers & Services Limited

Directors' Report and Financial Statements

for the year ended 31 August 2001



Care Computers & Services Limited

Company Information

Directors	D.A. Higgins Esq. Ms K. Ford
Secretary	Mrs. K.I.H. Higgins
Company Number	2799021 (England and Wales)
Registered Office	Power House Oak Lane Windsor Berkshire, SL4 5EU
Auditors	Rakmans Chartered Accountants 85 Oakwood Court London W14 8JZ

Care Computers & Services Limited

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Care Computers & Services Limited

Directors' Report for the year ended 31 August 2001

The directors present their report and the financial statements for the year ended 31 August 2001.

Principal Activities and Review of the Business

The principal activity of the company is that of dealing and providing maintenance services for computers and related products. Inspite of the competitive margins in the market, the director is hopeful for the future.

Results and Dividends

The results for the year are set out on page 4.

The directors have paid an interim dividend, amounting to £18,000, and they do not recommend payment of a final dividend.

It is proposed that the retained profit of £25,417 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the year are explained in notes 7 and 8 to the financial statements.

Directors and their Interests

The directors who served during the year and their interests in the company were as stated below.

	Class of share	Number of shares 2001	2000
D.A. Higgins Esq.	Ordinary shares	100	100
Ms K. Ford	Ordinary shares	-	-

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Rakmans be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' Report for the year ended 31 August 2001 (continued)

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.

This report was approved by the Board on 14 October 2002

Mrs. K.I.H. Higgins
Secretary

Care Computers & Services Limited

Auditors' Report
to the shareholders of Care Computers & Services Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

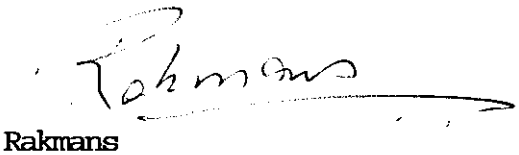
Basis of opinion

We conducted our audit in accordance with 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 August 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Rakmans

Chartered Accountants
Registered Auditor

14 October 2002

Chartered Accountants
85 Oakwood Court
London
W14 8JZ

Care Computers & Services Limited

Profit and Loss Account
for the year ended 31 August 2001

	Notes	2001 £	2000 £
Turnover	2	**1,515,283**	1,413,600
Cost of sales		**(1,288,572)**	(1,200,557)
Gross profit		**226,711**	213,043
Administrative expenses		**(174,670)**	(189,391)
Operating profit	3	**52,041**	23,652
Other interest receivable and similar income	4	**2,726**	1,413
Profit on ordinary activities before taxation		**54,767**	25,065
Tax on profit on ordinary activities	5	**(11,350)**	(5,014)
Profit on ordinary activities after taxation		**43,417**	20,051
Dividends	6	**(18,000)**	-
Retained profit for the year	15	**£ 25,417**	£ 20,051

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

Care Computers & Services Limited

Balance Sheet
as at 31 August 2001

	Notes	2001 £	2001 £	2000 £	2000 £
Fixed Assets					
Intangible assets	7		**90,000**		97,500
Tangible assets	8		**91,640**		111,595
			181,640		209,095
Current Assets					
Stocks	9	**31,919**		27,484	
Debtors	10	**136,954**		228,134	
Cash at bank and in hand		**178,741**		34,978	
		347,614		290,596	
Creditors: amounts falling due within one year	11	**(320,739)**		(313,787)	
Net Current Assets			**26,875**		(23,191)
Total Assets Less Current Liabilities			**208,515**		185,904
Provision for Liabilities and Charges	12		**(22,522)**		(25,328)
			£ 185,993		£ 160,576
Capital and Reserves					
Called up share capital	14		**100**		100
Share premium account			**181,697**		181,697
Profit and loss account	15		**4,196**		(21,221)
Shareholders' Funds (All equity)	16		**£ 185,993**		£ 160,576

The financial statements were approved by the Board on 14 October 2002.

D.A. Higgins Esq.

Director

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets 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:

Plant and machinery	-	10% Straight line
Fixtures, fittings and equipment	-	10% Straight line
Motor vehicles	-	20% Straight line

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2. Turnover

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

3. Operating Profit

	2001 £	2000 £
Operating profit is stated after charging:		
Depreciation of intangible assets	7,500	7,500
Depreciation of tangible assets	29,653	27,768
Auditors' remuneration	6,000	6,000

4. Other Interest Receivable and Similar Income

	2001 £	2000 £
Bank interest received	2,726	1,413

5. Taxation

	2001 £	2000 £
U.K. Current year taxation		
U.K. Corporation tax at 20% (2000 - 20%)	14,156	6,570
Transfer from deferred taxation	(2,806)	(1,556)
	£ 11,350	£ 5,014

6. Dividends

	2001 £	2000 £
Ordinary interim paid 30 August 2001	18,000	-

The company has declared an interim dividend of £18,000 for the year ended 31 August 2001 (2000:£nil) in respect of the ordinary shares.

7. Intangible Fixed Assets

	Goodwill £
Cost	
At 1 September 2000 & at 31 August 2001	150,000
Provision for diminution in value	
At 1 September 2000	52,500
Charge for year	7,500
At 31 August 2001	60,000
Net book value	
At 31 August 2001	£ 90,000
At 31 August 2000	£ 97,500

8. Tangible Assets

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2000	32,981	128,565	58,085	219,631
Additions	-	570	9,128	9,698
At 31 August 2001	32,981	129,135	67,213	229,329
Depreciation				
At 1 September 2000	19,956	39,005	49,075	108,036
Charge for year	3,295	12,910	13,448	29,653
At 31 August 2001	23,251	51,915	62,523	137,689
Net book values				
At 31 August 2001	£ 9,730	£ 77,220	£ 4,690	£ 91,640
At 31 August 2000	£ 13,025	£ 89,560	£ 9,010	£ 111,595

9. Stocks

	2001 £	2000 £
Finished goods and goods for resale	31,919	27,484

10. Debtors

	2001 £	2000 £
Trade debtors	110,785	204,428
Prepayments and accrued income	26,169	23,706
	£ 136,954	£ 228,134

11. Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	35,922	-
Trade creditors	148,427	196,137
Corporation tax	14,190	6,399
Other taxes and social security costs	23,830	25,073
Directors' current accounts	28,149	41,728
Accruals and deferred income	70,221	44,450
	£ 320,739	£ 313,787

12. Provisions for Liabilities and Charges

Deferred tax is provided at 20% (2000 - 0%) analysed over the following timing differences:

	Fully Provided 2001 £	2000 £
Accelerated capital allowances	22,522	25,328
	£ 22,522	£ 25,328

Movements on the provision for deferred taxation are:

	£
At 1 September 2000	25,328
Transferred to profit and loss account	2,806
At 31 August 2001	£ 22,522

13. Pension Costs

The pension costs relate to the contributions made to the company's defined contributions pension scheme.

14. Share Capital

	2001 £	2000 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

15. Profit And Loss Account

	2001 £	2000 £
Accumulated losses at 1 September 2000	(21,221)	(14,388)
Prior year adjustment	-	(26,884)
Accumulated losses at 1 September 2000 as restated	(21,221)	(41,272)
Retained profit for the year	25,417	20,051
Retained profits at 31 August 2001	£ 4,196	£ (21,221)

16. Reconciliation of Movements in Shareholders' Funds

	2001 £	2000 as restated £
Profit for the financial year	43,417	20,051
Dividends	(18,000)	-
Net addition to shareholders' funds	25,417	20,051
Opening shareholders' funds	160,576	140,525
Closing shareholders' funds	£ 185,993	£ 160,576

17. Directors' Emoluments

	2001 £	2000 £
Remuneration	30,695	6,054

18. Employees

Number of employees

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

	2001 Number	2000 Number
Administration	2	2
Maintenance	13	16
	15	18

Employment costs

	£	£
Wages and salaries	285,959	268,678
Social security costs	24,184	19,437
Other pension costs	3,047	2,814
	£ 313,190	£ 290,929