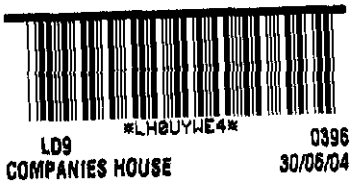
2799021 (England and Wales)

Care Computers & Services Limited

Directors' Report and Financial Statements

for the year ended 31 August 2003



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 2003

The directors present their report and the financial statements for the year ended 31 August 2003.

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. The war in the Iraq has effected the business but the director expects the market to improve.

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 £8,566 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 2003	2002
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 2003 (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 28 June 2004

Mrs. K.I.H. Higgins
Director



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.

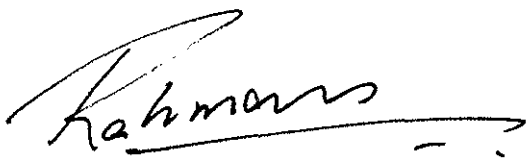
Basis of opinion

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 2003 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

28 June 2004

Chartered Accountants
85 Oakwood Court
London
W14 8JZ

Care Computers & Services Limited

Profit and Loss Account
for the year ended 31 August 2003

	Notes	2003 £	2002 £
Turnover	2	**1,157,227**	1,122,612
Cost of sales		**(953,334)**	(917,973)
Gross profit		**203,893**	204,639
Administrative expenses		**(171,995)**	(175,994)
Operating profit	3	**31,898**	28,645
Other interest receivable and similar income	4	**3,007**	2,351
Profit on ordinary activities before taxation		**34,905**	30,996
Tax on profit on ordinary activities	5	**(8,339)**	(15,818)
Profit on ordinary activities after taxation		**26,566**	15,178
Dividends	6	**(18,000)**	(18,000)
Retained profit for the year	15	**£ 8,566**	£ (2,822)

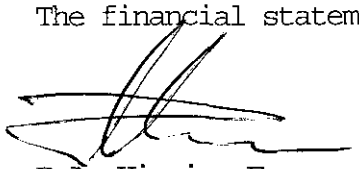
There are no recognised gains and losses other than those passing through the profit and loss account.

Care Computers & Services Limited

Balance Sheet
as at 31 August 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Fixed Assets					
Intangible assets	7		75,000		82,500
Tangible assets	8		59,938		79,135
			134,938		161,635
Current Assets					
Stocks	9	26,189		27,484	
Debtors	10	164,026		107,131	
Cash at bank and in hand		166,794		170,493	
		357,009		305,108	
Creditors: amounts falling due within one year	11	(277,688)		(261,050)	
Net Current Assets			79,321		44,058
Total Assets Less Current Liabilities			214,259		205,693
Provision for Liabilities and Charges	12		(22,522)		(22,522)
			£ 191,737		£ 183,171
Capital and Reserves					
Called up share capital	14		100		100
Share premium account			181,697		181,697
Profit and loss account	15		9,940		1,374
Shareholders' Funds (All equity)	16		£ 191,737		£ 183,171

The financial statements were approved by the Board on 28 June 2004.



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

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation of intangible assets	7,500	7,500
Depreciation of tangible assets	19,196	19,196
Auditors' remuneration	6,000	6,000

4. Other Interest Receivable and Similar Income

	2003 £	2002 £
Bank interest received	3,007	2,351

5. Taxation

	2003 £	2002 £
U.K. Current year taxation		
U.K. Corporation tax at 19% (2002 - 20%)	-	8,200
Prior years		
U.K. Corporation tax	8,339	7,618
	£ 8,339	£ 15,818

6. Dividends

	2003 £	2002 £
Ordinary interim paid 27 April 2003	18,000	18,000

The company has declared an interim dividend of £18,000 for the year ended 31 August 2003 (2002:£18,000) in respect of the ordinary shares.

7. Intangible Fixed Assets

	Goodwill £
Cost	
At 1 September 2002 & at 31 August 2003	150,000
Provision for diminution in value	
At 1 September 2002	67,500
Charge for year	7,500
At 31 August 2003	75,000
Net book value	
At 31 August 2003	£ 75,000
At 31 August 2002	£ 82,500

8. Tangible Assets

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2002 & at 31 August 2003	32,981	129,524	73,515	236,020
Depreciation				
At 1 September 2002	26,546	64,824	65,516	156,886
Charge for year	3,295	12,909	2,992	19,196
At 31 August 2003	29,841	77,733	68,508	176,082
Net book values				
At 31 August 2003	£ 3,140	£ 51,791	£ 5,007	£ 59,938
At 31 August 2002	£ 6,435	£ 64,700	£ 8,000	£ 79,135

9. Stocks

	2003 £	2002 £
Finished goods and goods for resale	26,189	27,484

10. Debtors

	2003 £	2002 £
Trade debtors	139,582	80,962
Prepayments and accrued income	24,444	26,169
	£ 164,026	£ 107,131

11. Creditors: amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	31,821	28,530
Trade creditors	162,527	150,462
Corporation tax	-	8,200
Taxes and social security costs	30,040	23,245
Directors' current accounts	5,781	16,303
Accruals and deferred income	47,519	34,310
	£ 277,688	£ 261,050

12. Provisions for Liabilities and Charges

Deferred tax is provided at 19% (2002 - 20%) analysed over the following timing differences:

	Fully Provided 2003 £	2002 £
Accelerated capital allowances	22,522	22,522
	£ 22,522	£ 22,522

13. Pension Costs

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

14. Share Capital

	2003 £	2002 £
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

	2003 £	2002 £
Retained profits at 1 September 2002	1,374	4,196
Retained profit for the year	8,566	(2,822)
Retained profits at 31 August 2003	£ 9,940	£ 1,374

16. Reconciliation of Movements in Shareholders' Funds

	2003 £	2002 £
Profit for the financial year	26,566	15,178
Dividends	(18,000)	(18,000)
Net addition to shareholders' funds	8,566	(2,822)
Opening shareholders' funds	183,171	185,993
Closing shareholders' funds	£ 191,737	£ 183,171

17. Directors' Emoluments

	2003 £	2002 £
Remuneration	38,725	37,015

18. Employees

Number of employees

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

	2003 Number	2002 Number
Administration	2	2
Maintenance	12	11
	14	13

Employment costs

	£	£
Wages and salaries	242,282	237,801
Social security costs	22,807	23,719
Other pension costs	2,285	3,047
	£ 267,374	£ 264,567