

03025035

000

CLOCKWORK LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002



CLOCKWORK LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

CONTENTS

	<u>Page</u>
Directors and Advisers	1
Directors Report	2
Profit and Loss Account	3
Statement of Total Recognised Gains and Losses	3
Balance Sheet	4
Notes to the Financial Statements	5-8

The following schedules do not form part of the Statutory Financial Statements

	<u>Schedule</u>
Detailed Profit and Loss Account	1
Accountants' Report	2

CLOCKWORK LIMITED

DIRECTORS AND ADVISERS

DIRECTOR

R C Courtney

SECRETARY

Mrs J Courtney

REGISTERED OFFICE

18 Whitehill
Puddletown
Dorchester
Dorset
DT2 8SB

COMPANY NUMBER

3025035 (England and Wales)

ACCOUNTANTS

Scott Vevers
Chartered Accountants
54A High West Street
Dorchester
Dorset
DT1 1UT

BANKERS

Lloyds TSB Bank Plc
3 South Street
Wareham
Dorset
BH20 4LX

CLOCKWORK LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2002

The Director presents his annual report and financial statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be the provision of computer services.

DIRECTOR

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

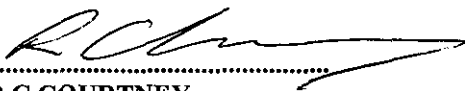
	<u>Number of Ordinary Shares of £1 Each</u>	
	<u>31 March 2002</u>	<u>31 March 2001</u>
R C Courtney	2	2

DIVIDENDS

Interim dividends totalling £8800 (£4400 per share) were paid during the year (2001 - £7500 at £3750 per share).

This report was approved by the Board on 24 December 2002, and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board of Directors


.....
R C COURTNEY
Director

CLOCKWORK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
Turnover	2	32533	46311
Administrative Expenses		<u>22843</u>	<u>47899</u>
Interest Receivable		9690 <u>112</u>	(1588) <u>78</u>
Profit/(Loss) on ordinary activities before taxation	3	9802	(1510)
Tax on Profit/(Loss) on ordinary activities	4	<u>(954)</u>	<u>231</u>
Profit/(Loss) for the Financial Year		8848	(1279)
Dividends	5	<u>(8800)</u>	<u>(7500)</u>
Retained Surplus/(Deficit) for the Financial Year	13	<u>£48</u>	<u>£(8779)</u>

None of the company's activities were acquired or discontinued during the year, or during the preceding year.

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

The loss on ordinary activities before taxation and the retained deficit have been calculated on the historical cost basis.

The notes on pages 5 to 8 form part of these financial statements.

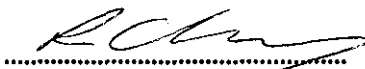
CLOCKWORK LIMITED

BALANCE SHEET AS AT 31 MARCH 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
TANGIBLE FIXED ASSETS	6	2447	2222
INTANGIBLE FIXED ASSETS	7	2000	3000
CURRENT ASSETS			
Debtors	8	4063	8610
Stock		675	725
Cash at Bank and in Hand		<u>1708</u>	<u>4633</u>
		6446	13968
CREDITORS			
Amounts Falling Due Within One Year	9	<u>10806</u>	<u>13421</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(4360)</u>	<u>547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		87	5769
CREDITORS			
Amounts Falling Due After More Than One Year	10	-	5730
PROVISIONS FOR LIABILITIES AND CHARGES	11	<u>-</u>	<u>-</u>
		<u>£87</u>	<u>£39</u>
CAPITAL AND RESERVES			
Called Up Share Capital	12	2	2
Profit and Loss Account	13	<u>85</u>	<u>37</u>
Equity Shareholders Funds	14	<u>£87</u>	<u>£39</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. Shareholders holding 10% or more of the Company's share capital have not issued a notice requiring an audit. The Director acknowledges his responsibilities for ensuring that the company keeps 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 31 March 2002 and of its 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 of Directors on 24 December 2002 and signed on its behalf. The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


.....
R C COURTNEY
Director

The notes on pages 5 to 8 form part of these financial statements.

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

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and incorporate the results of the principal activity which is described in the Director's Report and which is continuing.

The Company has taken special advantage of the exemption in FRS1 from the requirement to prepare a cashflow statement on the grounds that it is a small Company.

As shown on the Balance Sheet on page 4 the Company's net assets exceed its liabilities by £87. Debtors include an overdrawn Directors Current Account balance of £1430. Sufficient funds were introduced on 2 May 2002 to clear this position and to provide the Company with extra working capital. On this basis, in the opinion of the Director, the Company may be considered a going concern.

b) Turnover

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

c) Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off the cost of each asset, less its estimated residual value, over their expected useful life:-

Fixtures, Fittings and Equipment	3 Years Straight Line Method
----------------------------------	------------------------------

d) Intangible Fixed Assets and Amortisation

The company acquired exclusive rights under a management consultancy agreement which are included on the balance sheet under intangible fixed assets at cost. The agreement is for a five year period and amortisation is provided at the following annual rates in order to write off the cost, less its estimated residual value, over its expected useful life.

Management Rights	5 Years Straight Line Method
-------------------	------------------------------

e) 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 foreseeable future.

f) Stock

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

2. TURNOVER

The company did not export any of its turnover during the year.

CLOCKWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2002

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is entirely attributable to continuing activities and is stated after charging:-

	<u>2002</u>	<u>2001</u>
Directors Remuneration excluding pension contributions	7873	7900
Depreciation on Tangible Fixed Assets		
- Owned by the Company	2072	2467
Amortisation on Intangible Fixed Assets	<u>1000</u>	<u>1000</u>

Benefits in Kind of the Director during the year ended 31 March 2002 amounted to £4885 (2001 - £5195)

4. TAXATION

	<u>2002</u>	<u>2001</u>
UK Current Year Taxation -		
UK Corporation Tax at 10% (2001 - 20%)	954	(231)
Deferred Taxation (Note 10)	—	—
	<u>£954</u>	<u>£(231)</u>

5. DIVIDENDS

	<u>2002</u>	<u>2001</u>
Interim dividends paid of £4400 (2001 - £3750) per Ordinary Share of £1 each	<u>£8800</u>	<u>£7500</u>

6. TANGIBLE FIXED ASSETS

**Fixtures, Fittings
and Equipment**

COST	
At 1 April 2001	9023
Additions	2891
Disposals	(1055)
At 31 March 2002	<u>10859</u>
DEPRECIATION	
At 1 April 2001	6801
Aggregate On Disposals	(461)
Charge for the Year	<u>2072</u>
At 31 March 2002	<u>8412</u>
NET BOOK VALUE	
At 31 March 2002	<u>£2447</u>
At 31 March 2001	<u>£2222</u>

CLOCKWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2002

7.	<u>INTANGIBLE FIXED ASSETS</u>	Management <u>Rights</u>
	COST	
	At 1 April 2001 and At 31 March 2002	<u>5000</u>
	AMORTISATION	
	At 1 April 2001	2000
	Charge for Year	<u>1000</u>
	At 31 March 2002	<u>3000</u>
	NET BOOK VALUE	
	At 31 March 2002	<u>£2000</u>
	At 31 March 2001	<u>£3000</u>
8.	<u>DEBTORS</u>	
	Due within One Year	<u>2002</u> <u>2001</u>
	Directors Current Account (See Note 1a)	1430 -
	Trade Debtors	2064 6866
	Other Debtors and Prepayments	569 958
	Recoverable Corporation Tax	<u>-</u> <u>231</u>
		<u>£4063</u> <u>£8055</u>
	Due between Two and Five Years	<u>2002</u> <u>2001</u>
	Other Debtors and Prepayments	<u>£ -</u> <u>£555</u>
9.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	
		<u>2002</u> <u>2001</u>
	Directors Current Account	- 1440
	Corporation Tax	954 -
	Other Creditors	1134 3276
	Taxation and Social Security	2188 2660
	Accruals	800 750
	Bank Loan	<u>5730</u> <u>5295</u>
		<u>£10806</u> <u>£13421</u>
10.	<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	<u>2002</u> <u>2001</u>
	Bank Loan	<u>£ -</u> <u>£5730</u>

CLOCKWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2002

11.	<u>DEFERRED TAXATION</u>		Maximum		Maximum
		<u>Provided For</u>	Potential	<u>Provided For</u>	Potential
		<u>2002</u>	<u>Liability</u>	<u>2001</u>	<u>Liability</u>
	Accelerated Capital Allowances	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>
12.	<u>CALLED UP SHARE CAPITAL</u>			<u>2002</u>	<u>2001</u>
	Authorised Ordinary Shares of £1 Each			<u>£1000</u>	<u>£1000</u>
	Allotted Ordinary Shares of £1 Each Fully Paid			<u>£2</u>	<u>£2</u>
13.	<u>PROFIT AND LOSS ACCOUNT</u>			<u>2002</u>	<u>2001</u>
	Balance at 1 April 2001			37	8816
	Retained Surplus/(Deficit) for the Financial Year			<u>48</u>	<u>(8779)</u>
	Balance at 31 March 2002			<u>£85</u>	<u>£37</u>
14.	<u>RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS</u>			<u>2002</u>	<u>2001</u>
	Equity Shareholders Funds at 1 April 2001			39	8818
	Surplus/(Deficit) for the Financial Year			<u>8848</u>	<u>(1279)</u>
				8887	7539
	Dividends Paid			<u>8800</u>	<u>7500</u>
	Equity Shareholders Funds at 31 March 2002			<u>£87</u>	<u>£39</u>
15.	<u>CONTINGENT LIABILITIES</u>				
	In the opinion of the Director the company had no contingent liabilities at 31 March 2002.				
16.	<u>CAPITAL COMMITMENTS</u>				
	At 31 March 2002 there were no amounts of capital expenditure contracted for, but not provided in these accounts, nor any amounts authorised by the Director but not contracted.				
17.	<u>ULTIMATE CONTROL</u>				
	The Company is controlled by Mr R C Courtney who owns 100% of the issued Share Capital.				
18.	<u>CONNECTED PARTY TRANSACTIONS</u>				
	During 1999 the company loaned £2000 to Mr D C Courtney (Brother). This loan was being repaid to the company by equal monthly instalments over 36 months. Interest was being charged at an APR of 6.55%. The balance outstanding to the company at 31 March 2002 was £Nil (2001 - £722).				