

COMPANY NUMBER 3025035

CLOCKWORK LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004



CLOCKWORK LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

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

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CLOCKWORK LIMITED
DIRECTORS AND ADVISERS

DIRECTOR

R C Courtney

SECRETARY

Mrs J Courtney

REGISTERED OFFICE

54A High West Street
Dorchester
Dorset
DT1 1UT

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 2004

The Director presents his annual report and financial statements of the company for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company 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 £1 Shares</u>	
	<u>31 March 2004</u>	<u>31 March 2003</u>
R C Courtney	2	2

DIVIDENDS

Interim dividends totalling £Nil were paid during the year (2003 - £8000 at £4000 per share).

DIRECTORS' RESPONSIBILITIES

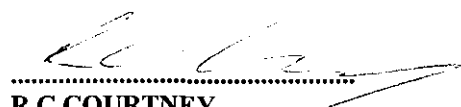
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:-

- 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 26 December 2004, 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 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
Turnover	2	1826	25729
Administrative Expenses		<u>5103</u>	<u>17649</u>
Interest Receivable		(3277) <u>71</u>	8080 <u>39</u>
(Loss)/Profit on ordinary activities before taxation	3	(3206)	8119
Tax on (Loss)/Profit on ordinary activities	4	<u>-</u>	<u>(29)</u>
(Loss)/Profit for the Financial Year		(3206)	8090
Dividends	5	<u>-</u>	<u>(8000)</u>
Retained (Loss)/Profit for the Financial Year	12	<u><u>£(3206)</u></u>	<u><u>£90</u></u>

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

CLOCKWORK LIMITED

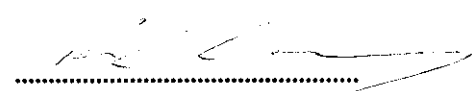
BALANCE SHEET AS AT 31 MARCH 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
TANGIBLE FIXED ASSETS	6	440	1157
INTANGIBLE FIXED ASSETS	7	-	1000
CURRENT ASSETS			
Debtors	8	268	1948
Stock		100	200
Cash at Bank and in Hand		<u>1391</u>	<u>6304</u>
		1759	8452
CREDITORS			
Amounts Falling Due Within One Year	9	<u>5228</u>	<u>10432</u>
NET CURRENT LIABILITIES		<u>(3469)</u>	<u>(1980)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3029)</u>	<u>177</u>
PROVISIONS FOR LIABILITIES AND CHARGES	10	<u>-</u>	<u>-</u>
		<u>£(3029)</u>	<u>£177</u>
CAPITAL AND RESERVES			
Called Up Share Capital	11	2	2
Profit and Loss Account	12	<u>(3031)</u>	<u>175</u>
Equity Shareholders Funds		<u>£(3029)</u>	<u>£177</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 2004 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.

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Board of Directors on 26 December 2004 and signed on its behalf.


.....
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 2004

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), on the assumption that the Company continues to be a Going Concern and incorporate the results of the principal activities which are described in the Directors' Report and which are continuing.

The Director has reviewed the Company's operation, and the current trading position is being very closely monitored by the Director, with a view to continuing profitability. The Director believes that adequate finance will be available in order to continue trading.

On this assumption the Director considers it appropriate to prepare the financials statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this financial support by either the Company bank or themselves. Should the Going Concern basis not be appropriate, adjustment would have to be made to reduce the value of assets to their realisable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets.

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.

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
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e) Deferred Taxation

Provision is made for taxation deferred using the incremental liability approach in respect of all timing differences between the incidence of income and expenditure for taxation and accounting purposes that have originated but not reversed at the balance sheet date.

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 2004

3. OPERATING (LOSS)/PROFIT

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

	<u>2004</u>	<u>2003</u>
Directors Remuneration	448	5433
Depreciation on Tangible Fixed Assets		
- Owned by the Company	1234	1580
Amortisation on Intangible Fixed Assets	<u>1000</u>	<u>1000</u>

Benefits in Kind of the Director during the year ended 31 March 2004 amounted to £197 (2003 - £5070)

4. TAXATION

	<u>2004</u>	<u>2003</u>
UK Current Year Taxation -		
UK Corporation Tax at 0% (2003 - 28%)	-	29
Deferred Taxation (Note 10)	-	-
	<u>£ -</u>	<u>£29</u>

5. DIVIDENDS

	<u>2004</u>	<u>2003</u>
Interim dividends paid of £Nil (2003 - £4000) per Ordinary Share of £1 each	<u>£ -</u>	<u>£8000</u>

6. TANGIBLE FIXED ASSETS

	<u>Fixtures, Fittings and Equipment</u>
COST	
At 1 April 2003	10897
Additions	517
Disposals	-
At 31 March 2004	<u>11414</u>
DEPRECIATION	
At 1 April 2003	9740
Aggregate On Disposals	-
Charge for the Year	<u>1234</u>
At 31 March 2004	<u>10974</u>
NET BOOK VALUE	
At 31 March 2004	<u>£440</u>
At 31 March 2003	<u>£1157</u>

CLOCKWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2004

7.	<u>INTANGIBLE FIXED ASSETS</u>	Management Rights	
	COST		
	At 1 April 2003 and At 31 March 2004	<u>5000</u>	
	AMORTISATION		
	At 1 April 2003	4000	
	Charge for Year	<u>1000</u>	
	At 31 March 2004	<u>5000</u>	
	NET BOOK VALUE		
	At 31 March 2004	<u>£ -</u>	
	At 31 March 2003	<u>£1000</u>	
8.	<u>DEBTORS</u>		
	Due within One Year	<u>2004</u>	<u>2003</u>
	Trade Debtors	-	1701
	Other Debtors and Prepayments	<u>268</u>	<u>247</u>
		<u>£268</u>	<u>£1948</u>
9.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
		<u>2004</u>	<u>2003</u>
	Directors Current Account	4798	8205
	Corporation Tax	-	29
	Other Creditors	-	16
	Taxation and Social Security	30	1482
	Accruals	<u>400</u>	<u>700</u>
		<u>£5228</u>	<u>£10432</u>
10.	<u>DEFERRED TAXATION</u>		
		Maximum Potential Liability	Maximum Potential Liability
	<u>Provided For</u>	<u>Provided For</u>	
	<u>2003</u>	<u>2003</u>	<u>2002</u>
	Accelerated Capital Allowances	<u>£ -</u>	<u>£ -</u>

CLOCKWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2004

11. CALLED UP SHARE CAPITAL

	<u>2004</u>	<u>2003</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>

12. PROFIT AND LOSS ACCOUNT

	<u>2004</u>	<u>2003</u>
Balance at 1 April 2003	175	85
Retained (Loss)/Profit for the Financial Year	<u>(3206)</u>	<u>90</u>
Balance at 31 March 2004	<u>£(3031)</u>	<u>£175</u>

13. CONTINGENT LIABILITIES

In the opinion of the Director the company had no contingent liabilities at 31 March 2004.

14. CAPITAL COMMITMENTS

At 31 March 2004 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.

15. ULTIMATE CONTROL

The Company is controlled by Mr R C Courtney who owns 100% of the issued Share Capital.