REGISTRAR

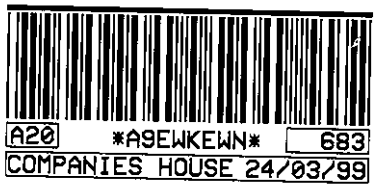
POWERPOINT ELECTRONICS LIMITED

FINANCIAL STATEMENTS

31ST MARCH 1998

Company Registration Number 3048821

BILLIMORIA BRACE HAMBLIN WILLIAMS
Chartered Accountants
6th Floor Queens House
2 Holly Road
Twickenham
Middlesex
TW1 4EG



POWERPOINT ELECTRONICS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998

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POWERPOINT ELECTRONICS LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31ST MARCH 1998

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31st March 1998.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of designing and installing security alarm systems.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 March 1998	At 1 April 1997
Mr J. S. Poliszewski	2	2

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
7th Floor
Queens House
2 Holly Road
Twickenham
TW1 4EG

Signed by order of the director

MRS A. MEARNS
Company Secretary

Approved by the director on 8 February 1999.

POWERPOINT ELECTRONICS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 1998

	Note	Year to 31 Mar 98 £	Period from 1 May 96 to 31 Mar 97 £
TURNOVER		129,311	75,841
Cost of sales		52,415	10,117
GROSS PROFIT		76,896	65,724
Administrative expenses		60,704	54,423
OPERATING PROFIT	2	16,192	11,301
Loss on disposal of fixed assets		(1,259)	-
		14,933	11,301
Interest receivable		40	13
Interest payable		(175)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		14,798	11,314
Tax on profit on ordinary activities	3	2,607	2,578
RETAINED PROFIT FOR THE FINANCIAL YEAR		12,191	8,736
Balance brought forward		10,232	1,496
Balance carried forward		22,423	10,232

POWERPOINT ELECTRONICS LIMITED

BALANCE SHEET

31ST MARCH 1998

	Note	1998		1997	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		45,719		11,270
CURRENT ASSETS					
Stocks		3,095		8,167	
Debtors	5	30,843		5,142	
Cash at bank and in hand		1,704		3,833	
		35,642		17,142	
CREDITORS: Amounts falling due within one year	6	(42,714)		(18,178)	
NET CURRENT LIABILITIES			(7,072)		(1,036)
TOTAL ASSETS LESS CURRENT LIABILITIES			38,647		10,234
CREDITORS: Amounts falling due after more than one year	7		(16,222)		-
			22,425		10,234

The balance sheet continues on the following page.

POWERPOINT ELECTRONICS LIMITED

BALANCE SHEET *(continued)*

31ST MARCH 1998

	Note	1998	1997
		£	£
CAPITAL AND RESERVES			
Called-up equity share capital	9	2	2
Profit and loss account	10	22,423	10,232
SHAREHOLDERS' FUNDS		22,425	10,234

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved and signed by the director on 8 February 1999.

.....
MR J. S. POLISZEWSKI

POWERPOINT ELECTRONICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998

1. ACCOUNTING POLICIES

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.

Turnover
The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Workshop improvements	-	4% straight line
Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% reducing balance
Plant & equipment	-	25% reducing balance

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

Hire purchase agreements
Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

2. OPERATING PROFIT

Operating profit is stated after charging:

	Year to 31 Mar 98 £	Period from 1 May 96 to 31 Mar 97 £
Director's emoluments	3,900	3,400
Director's pension contributions	1,200	1,100
Depreciation	12,393	3,655

POWERPOINT ELECTRONICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year to 31 Mar 98 £	Period from 1 May 96 to 31 Mar 97 £
In respect of the year:		
Corporation tax based on the results for the year at 21% (1997 - 21%)	2,385	2,578
Adjustment in respect of previous years:		
Corporation tax	222	-
	2,607	2,578

4. TANGIBLE FIXED ASSETS

	Workshop improvements £	Fixtures & Fittings £	Motor Vehicles £	Plant & equipment £	Total £
COST					
At 1 April 1997	-	898	3,304	14,521	18,723
Additions	9,334	1,092	23,727	14,547	48,700
Disposals	-	-	(3,304)	-	(3,304)
At 31 March 1998	9,334	1,990	23,727	29,068	64,119
DEPRECIATION					
At 1 April 1997	-	249	1,446	5,758	7,453
Charge for the year	373	261	5,932	5,827	12,393
On disposals	-	-	(1,446)	-	(1,446)
At 31 March 1998	373	510	5,932	11,585	18,400
NET BOOK VALUE					
At 31 March 1998	8,961	1,480	17,795	17,483	45,719
At 31 March 1997	-	649	1,858	8,763	11,270

Hire purchase agreements
Included within the net book value of £45,719 is £17,795 (1997 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £5,932 (1997 - £Nil).

POWERPOINT ELECTRONICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998

5. DEBTORS

	1998 £	1997 £
Trade debtors	30,843	5,142

6. CREDITORS: Amounts falling due within one year

	1998 £	1998 £	1997 £	1997 £
Bank loans and overdrafts		4,147		-
Trade creditors		16,921		852
Other creditors including:				
Corporation tax	2,385		2,578	
PAYE and social security	1,674		2,718	
VAT	3,281		3,148	
Hire purchase agreements	4,079		-	
Directors current accounts	7,092		6,243	
Other creditors	300		-	
		18,811		14,687
Accruals and deferred income		2,835		2,639
		42,714		18,178

7. CREDITORS: Amounts falling due after more than one year

	1998 £	1997 £
Hire purchase agreements	16,222	-

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Poliszewski throughout the current and previous year. Mr Poliszewski is the sole director and shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

9. SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
1,000 Ordinary shares of £1 each	1,000	1,000

POWERPOINT ELECTRONICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998

9. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	2	2

10. PROFIT AND LOSS ACCOUNT

	Year to 31 Mar 98 £	Period from 1 May 96 to 31 Mar 97 £
Balance brought forward	10,232	1,496
Retained profit for the financial year	12,191	8,736
Balance carried forward	22,423	10,232

POWERPOINT ELECTRONICS LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31ST MARCH 1998

The following pages do not form part of the statutory financial statements.

POWERPOINT ELECTRONICS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTOR

YEAR ENDED 31ST MARCH 1998

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st March 1998, set out on pages 2 to 8 and you consider that the company is exempt from an audit under the Companies Act 1985. In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

6th Floor Queens House
2 Holly Road
Twickenham
Middlesex
TW1 4EG

8 February 1999

BILLIMORIA BRACE HAMBLIN WILLIAMS
Chartered Accountants

POWERPOINT ELECTRONICS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 1998

	Year to 31 Mar 98		Period from 1 May 96 to 31 Mar 97	
	£	£	£	£
TURNOVER		129,311		75,841
COST OF SALES				
Opening stock and WIP	8,167		-	
Purchases	46,507		17,699	
Discounts received	(2)		-	
Subcontract	838		585	
	55,510		18,284	
Closing stock	(3,095)		(8,167)	
		52,415		10,117
GROSS PROFIT		76,896		65,724
OVERHEADS				
Administrative expenses		60,704		54,423
OPERATING PROFIT		16,192		11,301
Loss on disposal of fixed assets		(1,259)		-
		14,933		11,301
Bank interest receivable		40		13
		14,973		11,314
HP/Finance lease charges		175		-
PROFIT ON ORDINARY ACTIVITIES		14,798		11,314

POWERPOINT ELECTRONICS LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 1998

	Year to 31 Mar 98		Period from 1 May 96 to 31 Mar 97	
	£	£	£	£
ADMINISTRATIVE EXPENSES				
Personnel costs:				
Directors remuneration	3,900		3,400	
Directors pension contributions	1,200		1,100	
Wages and salaries	20,261		21,490	
Staff NIC	803		2,077	
		26,164		28,067
Establishment expenses:				
Rent & rates	3,180		2,915	
Light and heat	512		476	
Insurance	1,020		943	
Repairs and maintenance	339		644	
		5,051		4,978
General expenses:				
Motor expenses	2,999		2,846	
Travel and subsistence	2,946		1,339	
Telephone	2,884		2,196	
Printing, stationery and postage	1,398		2,928	
Computer consumables	-		1,304	
Software	1,440		1,889	
Sundry expenses	295		75	
Cleaning	284		173	
Donations	750		-	
Subscriptions	53		51	
Advertising	50		545	
Entertaining	373		149	
Legal and professional fees	410		86	
Accountancy fees	2,240		1,628	
Depn of workshop improvements	373		-	
Depreciation of fixtures and fittings	261		114	
Depreciation of motor vehicles	5,932		620	
Depreciation of plant & equipment	5,827		2,921	
		28,515		18,864
Financial costs:				
Bad & doubtful debts	195		1,694	
Bank charges	779		820	
		974		2,514
		60,704		54,423