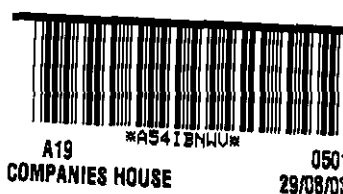


LOTUS TRAINING LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002



Dyer & Co
Chartered Accountants
Onega House
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Kent DA14 6NE

LOTUS TRAINING LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

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LOTUS TRAINING LIMITED

REPORT OF THE DIRECTOR

The director submits her report and the financial statements of the company for the year ended 31st October 2002.

PRINCIPAL ACTIVITY

The company's principal activity is that of the provision of management and administrative services.

RESULTS FOR YEAR

The results for the year are set out in the company's profit and loss account on page 3.

DIRECTOR

The director who served during the year and her interests (all beneficially held) in the share capital of the company was as follows:

	<u>Ordinary Shares of £1 Each</u>	
	31.10.02	31.10.01
Y Foster	2	2
	===	===

DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The director is required to prepare financial statements 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 the results of the company for the year then ended. These requirements are specified in the Companies Act 1985 and in applicable accounting standards. It is also the directors' responsibility to:

- Maintain adequate accounting records.
- Safeguard these assets of the company;
- Prevent and detect fraud and other irregularities;
- Prepare financial statements on the going concern basis, unless it is inappropriate.

The director confirms that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements.

LOTUS TRAINING LIMITED**REPORT OF THE DIRECTOR (CONT'D)****TAXATION STATUS**

As far as the director is aware the company is a close company as defined by the Income and Corporation Tax Act 1988.

SMALL COMPANIES EXEMPTIONS

Advantage is taken in the preparation of the Director's report of the special exemptions applicable to small companies confirmed in Part VII of the Companies Act 1985.

Approved By the Board of Directors
Signed on Behalf of the Board



N Wood
Secretary

Date.....21 | 7 | 2003.....

LOTUS TRAINING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 2002

	Notes	2002 £	2001 £
TURNOVER	2	340,485	296,614
Cost of Sales		(136,831)	(139,021)
GROSS PROFIT		203,654	157,593
Administrative Expenses		(189,737)	(145,248)
OPERATING PROFIT	3	13,917	12,345
Interest Receivable	4	13	81
Interest Payable	5	(1,183)	(725)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12,747	11,701
Taxation	5	(1,678)	(222)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		11,069	11,479
Dividends		(3,500)	-
PROFIT FOR THE YEAR		7,569	11,479
Retained Loss Brought Forward		(7,503)	(18,982)
RETAINED PROFIT/(LOSS) CARRIED FORWARD		66	(7,503)
		=====	=====

The notes on pages 6 to 9 form part of these Financial Statements.

LOTUS TRAINING LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER 2002

	Notes	2002 £	2001 £
FIXED ASSETS	8	1,160	1,909
CURRENT ASSETS			
Debtors	9	84,962	53,755
Cash at Bank		298	4,236
		85,260	57,991
CREDITORS – Amounts Falling Due Within One Year	10	(85,162)	(66,403)
NET CURRENT ASSETS/(LIABILITIES)		98	(8,412)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,258	(6,503)
PROVISIONS FOR LIABILITIES AND CHARGES	11	192	-
		1,066	(6,503)
CAPITAL AND RESERVES			
Called up Share Capital	12	1,000	1,000
Profit and Loss Account		66	(7,503)
Shareholders Funds		1,066	(6,503)

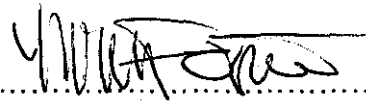
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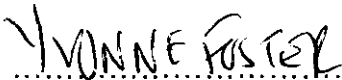
LOTUS TRAINING LIMITED**BALANCE SHEET (CONT'D)****AS AT 31ST OCTOBER 2002**

For the year ended on the balance sheet date, the company is entitled to exemption from audit Section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to its accounts for the year.

The director acknowledges her responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Act, and preparing accounts which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its loss for the year then ended and comply with the requirements of the Act relating to accounts, so far as applicable to small companies.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and within the Financial Reporting Standard for Smaller Companies. (Effective July 2002)

Approved by the Director on  21/7/..... 2003...

 - Director

The notes on pages 6 and 9 from part of these Financial Statements.

LOTUS TRAINING LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST OCTOBER 2002****1. ACCOUNTING POLICIES**

The principal accounting policies adopted in arriving at the financial information set out in these Financial Statements are as follows:

a. Accounting Convention

The Financial Statements have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

b. Turnover

Turnover represents the invoiced value of goods and services, net of discounts and excluding Value Added Tax.

c. Deferred Taxation

Deferred taxation is provided under the liability method on material differences arising from the inclusion of income and expenditure in the taxation computation in periods different from those in which they are included in the Financial Statements. No provision for deferred taxations made when, in the opinion of the Director, the liability is unlikely to arise in the foreseeable future.

d. Depreciation

Depreciation is provided to write off the cost of tangible fixed assets by annual instalments over their estimated useful economic lives. It is calculated on a straight line basis on the original cost of the assets at the following rates:

Fixtures & Fittings	25% Per Annum
Motor Vehicles	25% Per Annum

e. Leased Assets

Where assets are financed by leasing or hire purchase agreements, the assets are treated as if they had been purchased. Cost is capitalised as a tangible asset and the corresponding leasing commitment is included as a liability. Repayments payable are appointed between interest which is charged to the profit and loss accounts, and capital which reduced the outstanding commitment.

All other leased are treated as operating leases. Their annual rentals are charged to the profit and loss account on a payable basis.

f. Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. At 31st October 2002 there were no accrued or prepaid contributions.

LOTUS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 31ST OCTOBER 2002

2. TURNOVER

The turnover and profit before taxation arise wholly from the principal activity of the company in the United Kingdom.

2002	2001
£	£

3. OPERATING PROFIT

Operating Profit is stated after
Charging the following:

Directors Remuneration	12,000	10,543
Operating Lease Cost – Rent	21,402	15,000
- Other	4,292	2,863
	=====	=====

4. INTEREST RECEIVABLE

Interest Receivable on Deposits

13	81
=====	=====

5. INTEREST PAYABLE

H P Interest

1,183	725
=====	=====
1,183	725
=====	=====

6. TAXATION

Charge for Current Year

Deferred Taxation (Note 7)

1,486	-
192	-
=====	=====
1,678	-
=====	=====

7. DEFERRED TAXATION: The full Potential liability for deferred tax is as follows:

Balance @ 01.11.01

Accelerated Capital Allowances

-	-
192	-
=====	=====
192	-
=====	=====

Balance @ 31.10.02

LOTUS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 31ST OCTOBER 2002

8.	FIXED ASSETS	Office Furniture £	Computer Equipment £	Total £
	COST			
	As At 01.11.01	5,792	24,686	30,478
	Additions	250	329	579
	As At 31.10.02	<u>6,042</u>	<u>25,015</u>	<u>31,057</u>
	DEPRECIATION			
	As At 01.11.01	5,742	22,827	28,569
	Charge in Year	113	1,215	1,328
	As At 31.10.02	<u>5,855</u>	<u>24,042</u>	<u>29,897</u>
	NET BOOK VALUE			
	As At 31.10.02	187	973	1,160
	As At 31.10.01	=====	=====	=====
		50	1,859	1,909
		=====	=====	=====
			2002 £	2001 £
9.	DEBTORS			
	Trade Debtors		40,336	26,440
	Prepayments		-	805
	Other Debtors		44,626	26,510
			<u>84,962</u>	<u>53,755</u>
			=====	=====
10.	CREDITORS - Amounts Falling Due Within One Year			
	Trade Creditors		42,564	32,009
	Bank Overdraft		14,129	11,646
	Other Creditors		24,295	15,206
	Accruals		2,170	3,275
	Loans		2,004	4,267
			<u>85,162</u>	<u>66,403</u>
			=====	=====
11.	PROVISIONS FOR LIABILITIES AND CHARGES			
	Deferred Taxation		192	-
			=====	=====

LOTUS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 31ST OCTOBER 2002

	2002	2001
12. CALLED UP SHARE CAPITAL	No	No
Ordinary Shares of £1 each		
Authorised	1,000	1,000
	=====	=====
	£	£
Allotted, Issued and Fully Paid	1,000	1,000
	=====	=====
13. FINANCIAL COMMITMENT		
The Company had no capital commitments at 31 st October 2002 or 31 st October 2001 nor did it have any annual commitments under non-cancellable operating leases at this date.		
14. CONTINGENT LIABILITIES		
The company had no contingent liabilities at either 31 October 2002 or 31 st October 2001.		