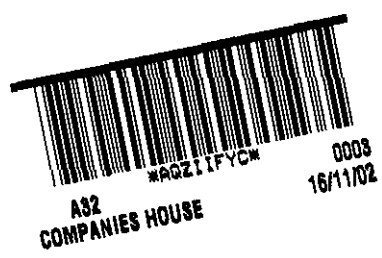


Company Registration No. 03460121 (England and Wales)

DIGITAL GENETICS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002



DIGITAL GENETICS LIMITED

COMPANY INFORMATION

Director	D M Devenish
Secretary	A K Devenish
Company number	03460121
Registered office	2 Towcester Road Old Stratford Milton Keynes Bucks MK19 6AQ
Accountants	Mercer & Hole 420 Silbury Boulevard Milton Keynes Bucks MK9 2AF
Business address	2 Towcester Road Old Stratford Milton Keynes Bucks MK19 6AQ
Bankers	National Westminster Bank plc PO Box 423 College Road Cranfield Bedford MK43 0ST

DIGITAL GENETICS LIMITED

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DIGITAL GENETICS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2002

The director presents his report and financial statements for the year ended 31 March 2002.

Principal activities

The principal activities of the company in the year under review was the provision of consultancy services.

Director

The following director has held office since 1 April 2001:

D M Devenish

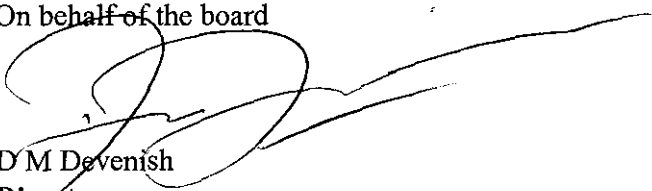
Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 March 2002	1 April 2001
D M Devenish	2	2

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

On behalf of the board



D M Devenish

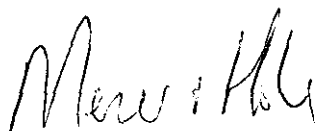
Director

27 September 2002

DIGITAL GENETICS LIMITED

**ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE
UNAUDITED ACCOUNTS OF DIGITAL GENETICS LIMITED**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2002, set out on pages 3 to 7 and you consider that the company is exempt from an audit. 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.



Mercer & Hole

Chartered Accountants

27 September 2002

420 Silbury Boulevard
Milton Keynes
Bucks
MK9 2AF

DIGITAL GENETICS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2002**

	Notes	2002 £	2001 £
Turnover		156,516	108,404
Administrative expenses		<u>(107,480)</u>	<u>(78,985)</u>
Operating profit	2	49,036	29,419
Other interest receivable and similar income		<u>820</u>	<u>287</u>
Profit on ordinary activities before taxation		49,856	29,706
Tax on profit on ordinary activities	3	<u>(10,147)</u>	<u>(5,213)</u>
Profit on ordinary activities after taxation		39,709	24,493
Dividends		<u>(7,515)</u>	<u>-</u>
Retained profit for the year	8	<u><u>32,194</u></u>	<u><u>24,493</u></u>

DIGITAL GENETICS LIMITED**BALANCE SHEET
AS AT 31 MARCH 2002**

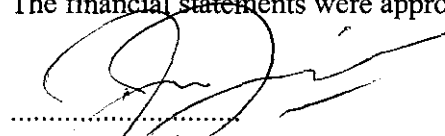
	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	4		1,802		2,862
Current assets					
Debtors	5	38,828		32,195	
Cash at bank and in hand		41,615		5,778	
		<u>80,443</u>		<u>37,973</u>	
Creditors: amounts falling due within one year	6	<u>(17,666)</u>		<u>(8,450)</u>	
Net current assets			<u>62,777</u>		<u>29,523</u>
Total assets less current liabilities			<u>64,579</u>		<u>32,385</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss account	8		64,577		32,383
Shareholders' funds			<u>64,579</u>		<u>32,385</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 this Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 27/9/02


D M Devenish
Director

DIGITAL GENETICS LIMITED

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

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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:

Computer equipment	33% on cost
Office furniture and fittings	25% reducing value

2 Operating profit	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	1,863	1,606
Director's emoluments	100,203	69,399
	<u> </u>	<u> </u>
3 Taxation	2002	2001
	£	£
Domestic current year tax		
U.K. corporation tax	10,138	5,213
Adjustment for prior years	9	-
	<u> </u>	<u> </u>
Current tax charge	<u>10,147</u>	<u>5,213</u>

DIGITAL GENETICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002****4 Tangible fixed assets**

	Plant and machinery etc £
Cost	
At 1 April 2001	5,154
Additions	803
At 31 March 2002	5,957
Depreciation	
At 1 April 2001	2,292
Charge for the year	1,863
At 31 March 2002	4,155
Net book value	
At 31 March 2002	1,802
At 31 March 2001	2,862

5 Debtors

	2002 £	2001 £
Trade debtors	25,791	-
Other debtors	13,037	32,195
	38,828	32,195

6 Creditors: amounts falling due within one year

	2002 £	2001 £
Trade creditors	1,143	43
Taxation and social security	16,123	8,007
Other creditors	400	400
	17,666	8,450

DIGITAL GENETICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

7 Share capital	2002 £	2001 £
Authorised		
1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

8 Statement of movements on profit and loss account

**Profit and
loss
account
£**

Balance at 1 April 2001	32,383
Retained profit for the year	<u>32,194</u>
Balance at 31 March 2002	<u>64,577</u>

9 Transactions with directors

	Amount outstanding 2002 £	2001 £	Maximum in year £
Director's current account	<u>1,665</u>	<u>-</u>	<u>9,550</u>