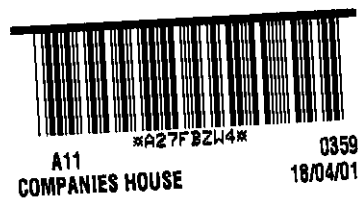


TOWARDS I.T. LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2000



TOWARDS I.T. LIMITED
INDEX TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2000

	Page No.
Director's Report	1
Profit and Loss Account	2
Balance Sheet	3 - 4
Notes to the financial statements	5 - 7

TOWARDS I.T. LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 30 JUNE 2000

The director presents his annual report and accounts for the year ended 30 June 2000.

PRINCIPAL ACTIVITY

The company's principal activity during the period is that of providing Information Technology consultancy.

DIRECTOR AND HIS INTERESTS

The director at 30 June 2000 and his interest in the share capital of the company was as follows:

	Ordinary shares of £1	
	<u>At 30.6.00</u>	<u>At 30.6.99</u>
S. M. Ward	51	51

DIRECTOR'S RESPONSIBILITIES FOR THE ACCOUNTS

Company law requires the directors to prepare accounts 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 period. In preparing those accounts, 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 accounts 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 accounts 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.

SMALL COMPANY EXEMPTIONS

The director has taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

By Order of the Board


Mrs J. T. Ward

Milliways,
Beaconsfield Road,
Chelwood Gate,
Sussex, RH17 7LF.

Date 17-03-2001

TOWARDS I.T. LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 JUNE 2000

	Note	<u>2000</u>	<u>1999</u>
		£	£
TURNOVER	1(b)	46,316	56,351
Cost of Sales		<u>0</u>	<u>0</u>
Gross Profit		46,316	56,351
Administrative expenses	(22,922)		(20,179)
Interest receivable	461		467
Interest payable	<u>0</u>		<u>0</u>
		<u>(22,461)</u>	<u>(19,712)</u>
Profit on ordinary activities before taxation		23,855	36,639
Taxation		<u>(4,800)</u>	<u>(7,625)</u>
Profit for the financial year		19,055	29,014
Dividends		<u>(19,000)</u>	<u>(28,400)</u>
Accumulated profit carried forward		<u>55</u>	<u>614</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no gains and losses for the period other than those already dealt with in the profit and loss account.

TOWARDS I.T. LIMITED

BALANCE SHEET

AS AT 30 JUNE 2000

	Note	£	<u>2000</u>	£	£	<u>1999</u>	£
FIXED ASSETS							
Tangible assets	3			162			426
CURRENT ASSETS							
Stocks			0			0	
Debtors	4		30			8,306	
Cash at bank and in hand			8,939			2,325	
			<u>8,969</u>			<u>10,631</u>	
CREDITORS - amounts falling due within one year	5		<u>8,342</u>			<u>10,323</u>	
Net current assets (liabilities)				<u>627</u>			<u>308</u>
				<u>789</u>			<u>734</u>
CAPITAL AND RESERVES							
Called up share capital	6			100			100
Profit and loss account				<u>689</u>			<u>634</u>
				<u>789</u>			<u>734</u>

TOWARDS I.T. LIMITED

BALANCE SHEET (continued)

AS AT 30 JUNE 2000

Statement by the director

In the director's opinion, the company was entitled to the exemption from audit conferred by subsection 1 of section 249A of the Companies Act 1985 for the year ended 30 June 2000.

The director confirms that no notice under Section 249B(2) Companies Act 1985 requiring an audit has been deposited by members.

The director confirms that he is responsible for :-

- a) ensuring that the company keeps accounting records which comply with the requirements of Section 221 Companies Act 1985 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2000 and of its results for the Period then ended in accordance with the requirements of Section 226 Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

The director has taken advantage of the exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of these exemptions as a small company.

Approved on behalf of the Board


S. M. Ward - Director

Date 17-03-2001

TOWARDS I.T. LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2000

1. ACCOUNTING POLICIES

(a) Accounting convention

The accounts are prepared under the historical cost convention.

(b) Turnover

Turnover represents the invoiced amounts of services provided net of value added tax.

(c) Fixed Assets

All fixed assets are recorded at cost.

(d) Depreciation

Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Equipment	- 33% per annum on cost
Furniture	- 33% per annum on cost.

2. OPERATING PROFIT

	<u>2000</u>	<u>1999</u>
	£	£
This is stated after charging:		
Depreciation of owned assets	264	264
Director's remuneration	<u>10,180</u>	<u>14,420</u>

TOWARDS I.T. LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 JUNE 2000

3. TANGIBLE FIXED ASSETS

	Equipment	Furniture	TOTAL
	£	£	£
Cost/Valuation			
At 1 July 1999	724	76	800
Additions	-	-	0
Disposals	-	-	0
At 30 June 2000	<u>724</u>	<u>76</u>	<u>800</u>
Depreciation			
At 1 July 1999	339	35	374
Additions	239	25	264
Disposals	-	-	-
At 30 June 2000	<u>578</u>	<u>60</u>	<u>638</u>
Net Book Value			
At 30 June 2000	<u>146</u>	<u>16</u>	<u>162</u>
At 1 July 1999	<u>385</u>	<u>41</u>	<u>426</u>

4. DEBTORS

	<u>2000</u>	<u>1999</u>
	£	£
Trade debtors	30	8,306
Prepayments	0	0
	30	8,306

TOWARDS I.T. LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 JUNE 2000

5. CREDITORS - amounts falling due within one year

	<u>2000</u> £	<u>1999</u> £
Trade creditors	0	600
Other taxes and social security costs	4,800	7,523
Accruals	400	200
Dividends	3,000	2,000
Director's current account	<u>142</u>	<u>0</u>
	<u>8,342</u>	<u>10,323</u>

6. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, Called Up and Fully paid</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>	<u>£100</u>	<u>£100</u>

7. RECONCILIATION OF SHAREHOLDERS' FUNDS

	<u>2000</u> £	<u>1999</u> £
At 1 July 1999	634	20
Profit for the year	23,855	36,639
Other recognised gains and losses	-	
Dividends	<u>(19,000)</u>	<u>(28,400)</u>
At 30 June 2000	<u>5,489</u>	<u>8,259</u>