

Co No. 04044921

Computer Management Corporation PLC

**Directors' Report and Financial Statements
for the year ended 30 September 2002**



Computer Management Corporation PLC

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Computer Management Corporation PLC

Company Information

Directors	Norman Norton Paul Tyrone Thomas
Secretary	FDM Company Secretaries Ltd
Company Number	04044921
Registered Office	Painters Hall 9 Little Trinity Lane London EC4V 2AD
Bankers	Nat West Bank PLC City of London Branch 1 Princes Street London EC2R 8PA
Auditors	V. A. Shah & Co. Chartered Certified Accountants 37 Kenver Avenue Finchley London N12 OPG

Computer Management Corporation PLC

Statement of 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 the affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Computer Management Corporation PLC

Directors' Report for the year ended 30 September 2002

The directors present their annual report and the audited financial statements for the year ended 30 September 2002.

Principal Activity

The principal activity of the company during the year was providing IT based solutions.

Results and Dividends

The profit for the year, after taxation, was £53,108 (2001: £30,509). The directors paid interim dividends of £82,104 during the year (2001: Nil). The directors do not recommend payment of final dividends for the year.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares		Ordinary A shares	
	2002	2001	2002	2001
Norman Norton	16,667	16,667	1	N/A
Paul Tyrone Thomas	16,667	16,667	1	N/A

Payments to Suppliers

The Company's policy is to pay suppliers according to the agreed terms and conditions of business under which transactions are conducted provided, that the goods and services have been supplied in accordance therewith. Trade creditors in the sum of £76,392 were outstanding at the year end.

Fixed Assets

Changes in the Company's tangible assets are disclosed in Note 8 to the financial statements.

Auditors

V. A. Shah & Co. were appointed auditors to the company after the year end and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their appointment will be put to the Annual General Meeting.

10 June 2003


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Secretary

FDM COMPANY SECRETARIES
LTD

Computer Management Corporation PLC
Report of the Independent Auditors to the members of Computer Management Corporation PLC

We have audited the Financial Statements of Computer Management Corporation PLC for the year ended 30 September 2002, on pages 5-12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective Responsibilities of Directors and Auditors

As described on page 2, the Company's directors are responsible for the preparation of financial statement in accordance with The Companies Act 1985 and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with The Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or inconsistencies with the Financial Statements.

Basis of Opinion

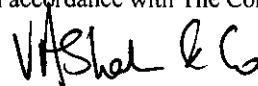
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board in the United Kingdom. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with The Companies Act 1985.

37 Kenver Avenue
Finchley
London N12 0PG



V. A. Shah & Co.
Chartered Certified Accountants
Registered Auditors
10 June 2003

Computer Management Corporation PLC

**Profit and Loss Account
for the year ended 30 September 2002**

		Continuing operations	
		2002	2001
	Notes	£	£
Turnover	2	475,580	325,994
Cost of sales		(184,034)	(17,371)
Gross profit		<u>291,546</u>	<u>308,623</u>
Administrative expenses		(228,774)	(276,139)
Operating profit	3	<u>62,772</u>	<u>32,484</u>
Interest receivable and similar income		203	386
Interest payable and similar charges	4	<u>-</u>	<u>(4)</u>
Profit on ordinary activities before taxation		62,975	32,866
Tax on profit on ordinary activities	6	<u>(9,867)</u>	<u>(2,357)</u>
Profit on ordinary activities after taxation		53,108	30,509
Dividends	7	(82,104)	-
(Loss)/Profit for the year		<u>(28,996)</u>	<u>30,509</u>
Retained profit brought forward		30,509	-
Retained profit carried forward		<u><u>1,513</u></u>	<u><u>30,509</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 12 form part of these accounts.

Computer Management Corporation PLC

**Balance Sheet
as at 30 September 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	8		25,408		19,086
Current Assets					
Debtors	9	105,848		98,055	
Cash at bank and in hand		69,913		5,102	
		<u>175,761</u>		<u>103,157</u>	
Creditors: amounts falling due within one year	10	<u>(149,654)</u>		<u>(41,734)</u>	
Net Current Assets			<u>26,107</u>		<u>61,423</u>
Total Assets Less Current Liabilities			<u>51,515</u>		<u>80,509</u>
Capital and Reserves					
Called up share capital	11		50,002		50,000
Profit and loss account			1,513		30,509
Equity Shareholders' Funds	12		<u>51,515</u>		<u>80,509</u>

The financial statements were approved by the Board on 10 June 2003 and signed on its behalf by



Director

Computer Management Corporation PLC

**Cash Flow Statement
for the year ended 30 September 2002**

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		62,772	32,484
Depreciation		7,953	6,362
(Increase) in debtors		(7,793)	(98,055)
Increase in creditors		98,053	39,377
Net cash inflow from operating activities		<u>160,985</u>	<u>(19,832)</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		160,985	(19,832)
Returns on investments and servicing of finance	13	203	382
Capital expenditure	13	(14,275)	(25,448)
		<u>146,913</u>	<u>(44,898)</u>
Equity dividends paid		(82,104)	-
		<u>64,809</u>	<u>(44,898)</u>
Financing	13	2	-
Increase in cash in the year		<u>64,811</u>	<u>(44,898)</u>
Reconciliation of net cash flow to movement in net funds (Note 14)			
Increase in cash in the year		64,811	(44,898)
Net funds at 1 October 2001		5,102	-
Net funds at 30 September 2002		<u>69,913</u>	<u>(44,898)</u>

Computer Management Corporation PLC

Notes to the Financial Statements for the year ended 30 September 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention

1.2. Tangible fixed assets and depreciation

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

Fixtures, fittings
and equipment - 25% Straight Line

No Depreciation will be provided in the year of acquisition of assets, and full year charge will be provided in the year of disposal.

1.3. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Audit Fees	750	500
Depreciation of tangible assets	7,953	6,362
	=====	=====

Computer Management Corporation PLC

**Notes to the Financial Statements
for the year ended 30 September 2002**

4. Interest payable and similar charges	2002	2001
	£	£
On bank loans and overdrafts	—	4
	=====	=====
 5. Directors' emoluments	 2002	 2001
	£	£
Remuneration and other benefits	40,000	—
	=====	=====
 6. Taxation	 2002	 2001
	£	£
UK current year taxation		
UK Corporation Tax @19%/20%	11,378	2,357
Corporation Tax overprovided in prior year	(1,511)	-
	-----	-----
	<u>9,867</u>	<u>-</u>
	=====	=====
 7. Dividends	 2002	 2001
	£	£
Ordinary shares - Interim dividends paid	82,104	-
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Computer Management Corporation PLC

**Notes to the Financial Statements
for the year ended 30 September 2002**

8. Tangible fixed assets

	Fixtures, Fittings, and Equipment	Total
	£	£
Cost		
At 1 October 2001	25,448	25,448
Additions	14,275	14,275
At 30 September 2002	<u>39,723</u>	<u>39,723</u>
Depreciation		
At 1 October 2001	6,362	6,362
Charge for the year	7,953	7,953
At 30 September 2002	<u>14,315</u>	<u>14,315</u>
Net book values		
At 30 September 2002	<u>25,408</u>	<u>25,408</u>
At 30 September 2001	<u>19,086</u>	<u>19,086</u>

9. Debtors

	2002	2001
	£	£
Trade debtors	68,282	59,934
Called Up Share Capital Not Paid	37,500	37,500
Prepayments and accrued income	66	621
	<u>105,848</u>	<u>98,055</u>

Computer Management Corporation PLC

Notes to the Financial Statements for the year ended 30 September 2002

10. Creditors: amounts falling due within one year	2002	2001
	£	£
Trade creditors	76,392	10,158
Other Creditors	43,548	19,783
Corporation tax	12,224	2,357
Other taxes and social security costs	13,206	7,646
Accruals and deferred income	4,284	1,790
	<u>149,654</u>	<u>41,734</u>
11. Share capital	2002	2001
	£	£
Authorised equity		
50,000 Ordinary shares of £1 each	50,000	50,000
2 Ordinary 'A' shares of £1 each	2	2
	<u>50,002</u>	<u>50,002</u>
Allotted, called up and fully paid equity		
50,000 Ordinary shares of £1 each	50,000	50,000
2 Ordinary 'A' shares of £1 each	2	-
	<u>50,002</u>	<u>50,000</u>
12. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	53,108	30,509
Dividends	(82,104)	-
	<u>(28,996)</u>	<u>30,509</u>
Net proceeds of equity share issue	2	-
Net addition to/deduction from shareholders' funds	<u>(28,994)</u>	<u>30,509</u>
Opening shareholders' funds	80,509	50,000
	<u>51,515</u>	<u>80,509</u>

Computer Management Corporation PLC

**Notes to the Financial Statements
for the year ended 30 September 2002**

13. Gross Cash Flows

	2002	2001
	£	£
Returns on investments and servicing of finance		
Interest received	203	386
Interest paid	-	(4)
	<u>203</u>	<u>382</u>
Capital expenditure		
Payments to acquire tangible assets	<u>(14,275)</u>	<u>(25,448)</u>
Financing		
Issue of ordinary share capital	<u>2</u>	<u>-</u>

14. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	5,102	64,811	69,913
Net funds	<u>5,102</u>	<u>64,811</u>	<u>69,913</u>

15 Related party transaction

The Company paid fees in the sum of £65,365 to Computer Management Solutions Limited, a company in which Mr N. Norton and Mr. P. Thomas are directors.