

Computer Management Corporation PLC

**Directors' Report and Financial Statements
for the year ended 30 September 2004**



Computer Management Corporation PLC

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Computer Management Corporation PLC

Company Information

Director	Paul Tyrone Thomas
Secretary	Imagine Business CoSec Ltd
Company Number	04044921
Registered Office	129 Aldersgate Street London EC1A 4WD
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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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 2004

The director presents his annual report and the audited financial statements for the year ended 30 September 2004.

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 £52,359 (2003: £84,717). Interim dividends totalling £53,000 were paid during the year.

The director does 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	
	2004	2003	2004	2003
Norman Norton (resigned 7. 10. 2005)	35,000	16,667	1	1
Paul Tyrone Thomas	35,000	16,667	1	1

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 £24,492 were outstanding at the year end.

Fixed Assets

Changes in the Company's tangible assets are disclosed in Note 6 to the financial statements.

Auditors

The registered auditors, V. A. Shah & Co., have indicated their willingness to continue in office and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their appointment will be put to the Annual General Meeting.


.....
Secretary

28 October 2005

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 2004, on pages 5-11. 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 2004 and of its loss for the year then ended and have been properly prepared in accordance with The Companies Act 1985.

37 Kenver Avenue
Finchley
London N12 0PG

28 October 2005


V. A. Shah & Co.
Chartered Certified Accountants
Registered Auditor

Computer Management Corporation PLC

**Profit and Loss Account
for the year ended 30 September 2004**

		Continuing operations	
		2004	2003
	Notes	£	£
Turnover	2	442,517	357,149
Cost of sales		(224,301)	(113,055)
Gross profit		<u>218,216</u>	<u>244,094</u>
Administrative expenses		(154,106)	(142,561)
Operating profit	3	<u>64,110</u>	<u>101,533</u>
Interest receivable and similar income		83	551
Profit on ordinary activities before taxation		<u>64,193</u>	<u>102,084</u>
Tax on profit on ordinary activities	4	(11,834)	((7,367))
Profit on ordinary activities after taxation		52,359	84,717
Dividends	5	(53,000)	(84,324)
(Loss)/Profit for the year		<u>(641)</u>	<u>393</u>
Retained profit brought forward		1,906	1,513
Retained profit carried forward		<u>£ 1,265</u>	<u>£ 1,906</u>

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

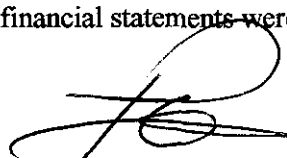
The notes on pages 8 to 11 form part of these accounts.

Computer Management Corporation PLC

**Balance Sheet
as at 30 September 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	6		44,453		39,936
Current Assets					
Stocks and Work in Progress		44,750		24,782	
Debtors	7	88,204		77,891	
Cash at bank and in hand		27		22,468	
		<u>132,981</u>		<u>125,141</u>	
Creditors: amounts falling due within one year	8	<u>(106,167)</u>		<u>(93,169)</u>	
Net Current Assets			<u>26,814</u>		<u>31,972</u>
Total Assets Less Current Liabilities			<u>£ 71,267</u>		<u>£ 71,908</u>
Capital and Reserves					
Called up share capital	9		70,002		70,002
Profit and loss account			1,265		1,906
Equity Shareholders' Funds	10		<u>£ 71,267</u>		<u>£ 71,908</u>

The financial statements were approved by the Board on 28 October 2005 and signed on its behalf by



 Director

Computer Management Corporation PLC

Cash Flow Statement for the year ended 30 September 2004

	Notes	2004 £	2003 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		64,110	101,533
Depreciation		—	18,084
Increase in Stocks		(19,968)	(24,782)
(Increase)/Decrease in Debtors		(10,313)	27,957
Increase/(Decrease) in Creditors		4,555	(71,295)
Net cash inflow from operating activities		<u>38,384</u>	<u>51,497</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		38,384	51,497
Returns on investments and servicing of finance	12	83	551
Capital expenditure	12	(4,517)	(32,612)
Corporation Tax liability paid		(27,014)	(2,557)
		<u>6,936</u>	<u>16,879</u>
Equity dividends paid		(53,000)	(84,324)
	12	<u>(46,064)</u>	<u>(67,445)</u>
Financing		—	20,000
Decrease in cash in the year		<u>(46,064)</u>	<u>(47,445)</u>
Reconciliation of net cash flow to movement in net funds (Note 12)			
Decrease in cash in the year		(46,064)	(47,445)
Net funds at 1 October 2003		22,468	69,913
Net funds at 30 September 2004		<u>£ (23,596)</u>	<u>£ 22,468</u>

Computer Management Corporation PLC

Notes to the Financial Statements for the year ended 30 September 2004

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

In the opinion of the directors depreciation had been overprovided in the previous years and therefore provision has not been made in the current year.

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

2004	2003
£	£

Operating profit is stated after charging:

Audit Fees	800	750
Depreciation of tangible assets	—	18,084
	<u> </u>	<u> </u>

Computer Management Corporation PLC

Notes to the Financial Statements for the year ended 30 September 2004

4. Taxation	2004	2003
	£	£
UK current year taxation		
UK Corporation Tax @19%	11,854	17,367
Corporation Tax overprovided in prior year	(20)	—
	<u>£11,834</u>	<u>£ 9,867</u>
 5. Dividends	 2004	 2003
	£	£
Ordinary shares - Interim dividends paid	<u>£ 53,000</u>	<u>£ 84,324</u>
 6. Tangible fixed assets	 Fixtures, Fittings, and Equipment	 Total
	£	£
Cost		
At 1 October 2003	72,335	72,335
Additions	4,517	4,517
At 30 September 2004	<u>76,852</u>	<u>76,852</u>
Depreciation		
At 1 October 2003	32,399	32,399
Charge for the year	—	—
At 30 September 2004	<u>32,399</u>	<u>32,399</u>
Net book values		
At 30 September 2004	<u>£ 44,453</u>	<u>£ 44,453</u>
At 30 September 2003	<u>£ 39,936</u>	<u>£ 39,936</u>

Computer Management Corporation PLC

Notes to the Financial Statements for the year ended 30 September 2004

7. Debtors

	2004 £	2003 £
Trade debtors	30,081	15,193
Amounts Owed by Associated Companies	1,474	6,305
Called Up Share Capital Not Paid	52,500	52,500
Prepayments and Accrued income	4,149	3,893
	<u>£ 88,204</u>	<u>£105,848</u>

8. Creditors: amounts falling due within one year

	2004 £	2003 £
Bank Overdraft	23,623	—
Trade creditors	24,492	32,692
Amounts owed to Associated Companies	24,605	—
Other Creditors	2,680	23,316
Corporation tax	11,854	27,034
Other taxes and social security costs	17,713	8,588
Accruals and deferred income	1,200	1,539
	<u>£ 106,167</u>	<u>£ 93,169</u>

Bank Overdraft is secured over the assets of the Company.

9. Share capital

	2004 £	2003 £
Authorised equity		
70,000 Ordinary shares of £1 each	70,000	50,000
2 Ordinary 'A' shares of £1 each	2	2
	<u>£70,002</u>	<u>£50,002</u>
 Allotted, called up and fully paid equity		
70,000 Ordinary shares of £1 each	70,000	50,000
2 Ordinary 'A' shares of £1 each	2	2
	<u>£ 70,002</u>	<u>£ 50,002</u>

Computer Management Corporation PLC

**Notes to the Financial Statements
for the year ended 30 September 2004**

10. Reconciliation of movements in shareholders' funds

	2004	2003
	£	£
Profit for the year	52,359	84,717
Dividends	(53,000)	(84,324)
	<u>(641)</u>	<u>393</u>
Net proceeds of equity share issue	—	20,000
Net deduction/addition from shareholders' funds	<u>(641)</u>	<u>20,393</u>
Opening shareholders' funds	71,908	51,515
Closing shareholders' funds	<u>£ 71,267</u>	<u>£ 71,908</u>

11. Gross Cash Flows

	2004	2003
	£	£
Returns on investments and servicing of finance		
Commissions Received	—	80
Interest received	83	471
	<u>£ 83</u>	<u>£ 551</u>
Capital expenditure		
Payments to acquire tangible assets	<u>£ (4,517)</u>	<u>£ (32,612)</u>
Financing		
Issue of ordinary share capital	<u>—</u>	<u>£ 20,000</u>

12. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at Bank and in Hand	22,468	(46,064)	(23,596)
	<u> </u>	<u> </u>	<u> </u>