

PISYS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31 MARCH 2002



WILLIAMSON & DUNN
Chartered Accountants & Registered Auditors
3 West Craibstone Street
Aberdeen
AB11 6YW

PISYS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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PISYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 March 2002 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

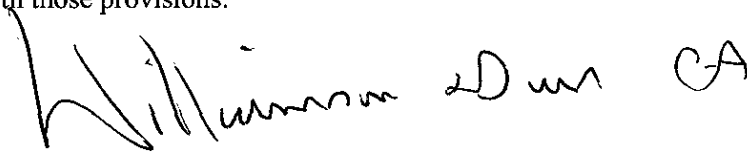
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



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PISYS LIMITED

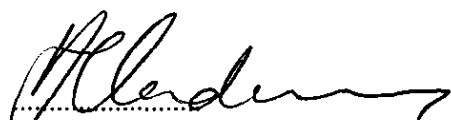
ABBREVIATED BALANCE SHEET

31 MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS	2		
Intangible assets		173,896	125,301
Tangible assets		63,302	51,492
Investments		139,675	-
		<u>376,873</u>	<u>176,793</u>
CURRENT ASSETS			
Debtors		503,119	406,583
Cash at bank and in hand		41	41
		<u>503,160</u>	<u>406,624</u>
CREDITORS: Amounts falling due within one year	3	<u>(625,767)</u>	<u>(469,708)</u>
NET CURRENT LIABILITIES		(122,607)	(63,084)
TOTAL ASSETS LESS CURRENT LIABILITIES		254,266	113,709
CREDITORS: Amounts falling due after more than one year	4	(193,125)	-
PROVISIONS FOR LIABILITIES AND CHARGES		(15,889)	(20,391)
		<u>45,252</u>	<u>93,318</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	100	100
Profit and Loss Account		45,152	93,218
SHAREHOLDERS' FUNDS		<u>45,252</u>	<u>93,318</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 30/1/03 and are signed on their behalf by:


MR PETER HENDERSON

The notes on pages 3 to 5 form part of these financial statements.

PISYS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Development expenditure

Development expenditure relating to specific projects intended for commercial exploitation is carried forward. Such expenditure is amortised over the periods expected to benefit from it commencing with the period in which related sales are first made. Expenditure on pure and applied research is written off as incurred.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Development expenditure - over 3 years

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings - over 4 years

Computers and equipment - over 3 years

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme on behalf of the directors. Contributions are charged against profits as the contributions are made.

PISYS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, including those relating to pensions, which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse. Advance corporation tax which is expected to be recoverable in the future is deducted from the deferred taxation balance.

Deferred taxation assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investments £	Total £
COST				
At 1 April 2001	136,691	141,805	–	278,496
Additions	112,991	40,270	139,675	292,936
At 31 March 2002	249,682	182,075	139,675	571,432
DEPRECIATION				
At 1 April 2001	11,390	90,313	–	101,703
Charge for year	64,396	28,460	–	92,856
At 31 March 2002	75,786	118,773	–	194,559
NET BOOK VALUE				
At 31 March 2002	173,896	63,302	139,675	376,873
At 31 March 2001	125,301	51,492	–	176,793

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002 £	2001 £
Bank loans and overdrafts	<u>66,359</u>	<u>92,650</u>

PISYS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>193,125</u>	<u>-</u>

Included within creditors falling due after more than one year is an amount of £103,125 (2001 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

5. RELATED PARTY TRANSACTIONS

Letters of guarantee to the value of £50,000 have been given in favour of the Bank of Scotland by the directors and their families.

During the year the company sold services to its subsidiary company, I T Parade Limited to the value of £600 and management charges of £22,357.

The amount owing by the subsidiary company at 31 March 2002 was £19,103.

6. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>