

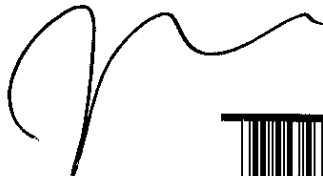
MAGNACOM LIMITED
FINANCIAL STATEMENTS

31 JULY 2000

Registered number: 173621

J.F. MILLER & COMPANY

CHARTERED ACCOUNTANTS



MAGNACOM LIMITED

FINANCIAL STATEMENTS

for the Year ended 31 July 2000

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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MAGNACOM LIMITED**COMPANY INFORMATION****31 July 2000**

DIRECTORS	Scott McArdle
SECRETARY	Mary Faulds McArdle
REGISTERED OFFICE	Crossford Mill Beith Road Johnstone PA10 2NS.
ACCOUNTANTS	J.F. Miller & Company Chartered Accountants 21 Westminster Terrace Glasgow G3 7RU.

MAGNACOM LIMITED**DIRECTORS' REPORT****31 July 2000**

The directors present their report and the financial statements for the Year ended 31 July 2000.

Principal activity

The principal activity of the company was the supply of computer hardware and software and associated peripherals.

Directors

The directors of the company during the Year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31 July 2000	1 August 1999
	Ordinary	Ordinary
	shares	shares
Scott McArdle	1,000	1,000

Small company exemptions

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

On behalf of the board



Mary Faulds McArdle
Secretary
6 February 2001

MAGNACOM LIMITED

ACCOUNTANTS' REPORT

Accountants' report to the directors
on the unaudited financial statements of

As described on the balance sheet you are responsible for the preparation of the financial statements for the Year ended 31 July 2000, set out on pages 4 to 10, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



J.F. Miller & Company
Chartered Accountants
6 February 2001

MAGNACOM LIMITED

PROFIT AND LOSS ACCOUNT

for the Year ended 31 July 2000

	Note	2000 £	1999 £
Turnover	2	313,100	299,295
Cost of sales		(191,406)	(178,272)
Gross profit		121,694	121,023
Net operating expenses			
Distribution costs		(3,803)	(3,169)
Administrative expenses		(80,121)	(76,125)
Operating profit	3	37,770	41,729
Investment income	5	665	572
Interest payable	6	(748)	(748)
Profit on ordinary activities before taxation		37,687	41,553
Taxation	7	(7,797)	(8,755)
Profit on ordinary activities after taxation		29,890	32,798
retained for the Year	14		

Movements in reserves are shown in note 14.

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains and losses in 2000 or 1999 other than the profit for the Year.

MAGNACOM LIMITED

BALANCE SHEET

at 31 July 2000

	Note	2000		1999	
		£	£	£	£
Fixed assets					
Tangible assets	8		1,338		3,565
Current assets					
Stocks	9	7,895		2,020	
Debtors	10	39,661		56,778	
Cash at bank and in hand		97,647		44,060	
		<u>145,203</u>		<u>102,858</u>	
Creditors: amounts falling due within one year	11	(55,143)		(44,840)	
Net current assets			90,060		58,018
Total assets less current liabilities			<u>91,398</u>		<u>61,583</u>
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		90,398		60,583
Total shareholders' funds	12		<u>91,398</u>		<u>61,583</u>

continued

MAGNACOM LIMITED

BALANCE SHEET
(continued)

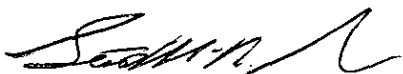
at 31 July 2000

The directors consider that for the Year ended 31 July 2000 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial Year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements 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 the Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 10 were approved by the board of directors on 6 February 2001 and signed on its behalf by:



Scott McArdle
Director

MAGNACOM LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2000

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	33.33% Straight line
Fixtures and fittings	20% Reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1999 nil).

MAGNACOM LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2000

7 Taxation

	2000	1999
	£	£
UK Corporation tax:		
Current tax on income for the period		
at 20% (1999 20%)	7,795	8,755
Adjustments in respect of prior periods	2	-
	<u>7,797</u>	<u>8,755</u>

8 Tangible fixed assets

	Plant and Machinery etc £
Cost	
1 August 1999 and 31 July 2000	<u>7,959</u>
Depreciation	
1 August 1999	4,394
Charge for the Year	<u>2,227</u>
31 July 2000	<u>6,621</u>
Net book amount	
31 July 2000	<u>1,338</u>
1 August 1999	<u>3,565</u>

9 Stocks

	2000	1999
	£	£
Stocks	<u>7,895</u>	<u>2,020</u>

MAGNACOM LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2000

10 Debtors

	2000 £
Amounts falling due within one year	
Trade debtors	39,661
	<u> </u>

1999 £
56,778
<u> </u>

11 Creditors: amounts falling due within one year

	2000 £
Trade creditors	15,500
Corporation tax	7,795
Other taxation and social security	10,559
Other creditors	21,289
	<u> </u>
	55,143
	<u> </u>

1999 £
5,571
8,755
5,921
24,593
<u> </u>
44,840
<u> </u>

12 Reconciliation of movements in shareholders' funds

	2000 £
Profit for the financial Year representing a Net addition to shareholders' funds	29,890
Opening shareholders' funds	61,508
	<u> </u>
Closing shareholders' funds	91,398
	<u> </u>

1999 £
32,798
28,785
<u> </u>
61,583
<u> </u>

MAGNACOM LIMITED

NOTES ON FINANCIAL STATEMENTS

31 July 2000

13 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital	1,000	1,000	1,000	1,000
Allotted, called up and fully paid				
Authorised share capital	1,000	1,000	1,000	1,000

14 Profit and loss account

	2000 £
1 August 1999	60,508
Retained profit for the Year	29,890
31 July 2000	90,398