

I.T. Xchange Limited

**Directors' report and financial
statements**

Registered number 213655 (Scotland)

For the period ended 31 July 2001



SCT S55MIFH2 0941
COMPANIES HOUSE 30/10/02

SCT S3Q1TEG9 0185
COMPANIES HOUSE 23/09/02

Directors' report

The directors present their report with the financial statements of the company from the date of incorporation 11 December 2000 to 31 July 2001.

The company changed its name to I.T. Xchange Limited from Atollpage Limited on 19 February 2001.

Principal activity

The principal activity of the company in the period under review was that of a computer hardware distributor.

Business review

The results for the period and financial position of the company are as shown in the annexed financial statements.

Dividends

No dividends will be distributed for the period ended 31 July 2001.

Director

The directors who held office during the period were as follows:

ME Gray	Appointed 8 January 2001
JJ McFarlane	Appointed 8 January 2001
L McFarlane	Appointed 8 January 2001
Jordan Scotland Limited	Appointed 11 December 2000 Resigned 8 January 2001

None of the directors held a disclosable interest in the shares of the company.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



Director

Unit 4C Springkell Street
Greenock
PA15 4 RE

Profit and loss account
for the period ended 31 July 2001

	<i>Note</i>	2001 £
Turnover		616,254
Cost of sales		(377,560)
Gross profit		238,694
Administrative expenses		(167,308)
Operating profit	3	71,386
Foreign exchange translation gain		716
Interest payable and similar charges		(316)
Profit on ordinary activities before taxation		71,786
Tax on profit on ordinary activities	4	(19,273)
Profit for the financial period after taxation		<u>52,513</u>

Balance sheet
at 31 July 2001

	Note	31 July 2001	£
Fixed assets			
Tangible assets	5		51,010
Current assets			
Stocks	6	161,429	
Debtors	7	128,148	
Cash at bank and in hand		80,486	
		370,063	
Creditors: amounts falling due within one year	8	368,559	
Net current assets			1,504
Total assets less current liabilities			52,514
Capital and reserves			
Called up share capital	9		1
Profit and loss account			52,513
Shareholders' funds	10		52,514

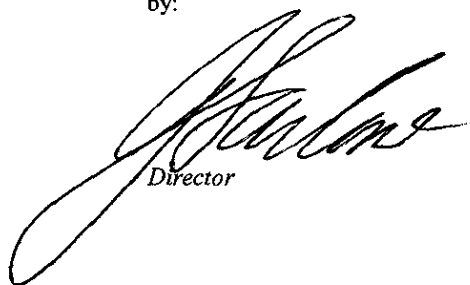
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 July 2001.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 July 2001 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- ensuring 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 each financial period and of its profit or loss for the financial period in accordance with section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements were approved by the board of directors on May 30, 2002 and were signed on its behalf by:



Director

Notes

(forming part of the financial statements)

1 Accounting policies

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Foreign exchange translation

The profit and loss account for the period is translated using the average exchange rate for the period. The balance sheet is translated at the closing rate for the period. The difference on translation is taken to the profit and loss account for the period.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office and computer equipment – 20 to 50%

Plant and machinery – 20%

Fixtures and fittings – 20%

Motor vehicles – 30%

Stocks

Finished goods are valued at the lower of cost or net realisable value.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

Notes (continued)

2 Staff costs

	2001 £
Wages and salaries	44,687
Social security costs	4,759
	49,626

The average monthly number of employees during the period was as follows:

2001
5

3 Operating profit

	2001 £
The operating profit is stated after charging/(crediting):	
Depreciation -- owned assets	1,704
Director' emoluments	-

4 Taxation

The tax charge on the profit on ordinary activities for the period was as follows:

	2001 £
UK corporation tax	19,273

Notes (continued)

5 Tangible fixed assets

	Office and computer equipment	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<i>Cost</i>					
Additions	16,643	13,751	6,424	15,896	52,714
At 31 July 2001	16,643	13,751	6,424	15,896	52,714
<i>Depreciation</i>					
Charge for period	635	457	191	421	1,704
At 31 July 2001	635	457	191	421	1,704
<i>Net book value</i>					
At 31 July 2001	16,008	13,294	6,233	15,475	51,010

6 Stocks

	2001 £
Finished goods	161,429

7 Debtors: amounts falling due within one year

	2001 £
Trade debtors	110,366
Prepayments and accrued income	18,234
	128,600

Notes (continued)

8 Creditors: amounts falling due within one year

	2001 £
Trade creditors	57,814
Amounts owed to group undertaking	282,472
Corporation tax	19,273
Accrued charges	9,000
	368,559

9 Called up share capital

	2001 £
<i>Authorised</i>	
1,000 ordinary shares of £1 each	1,000
<i>Allotted, issued and fully paid</i>	
1 ordinary share of £1	1

10 Reconciliation of movement in shareholders' funds

	2001 £
Profit for the financial period	52,513
New share capital subscribed	1
	52,514
Net addition to shareholders' funds	52,514
Opening shareholders' funds	-
	52,514
Closing shareholders' funds	52,514
Equity interests	52,514