

REGISTERED NUMBER: SC242550 (Scotland)

Acumen
accountants + advisors

AUDITED ABBREVIATED ACCOUNTS

FOR THE PERIOD

20 JANUARY 2003 TO 30 JUNE 2004

FOR

PROSOURCE.IT (UK) LIMITED



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for the Period 20 January 2003 to 30 June 2004

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PROSOURCE.IT (UK) LIMITED

COMPANY INFORMATION

for the Period 20 January 2003 to 30 June 2004

DIRECTORS:

C I Adams
A Cowie
S Mackie
S Proctor

SECRETARY:

S Mackie

REGISTERED OFFICE:

1 Hilldowntree Business Centre
Banchory Devenick
Aberdeenshire
AB12 5YL

REGISTERED NUMBER:

SC242550 (Scotland)

AUDITORS:

Acumen Accountants and Advisors Limited
Bon Accord House
Riverside Drive
Aberdeen
AB11 7SL

**REPORT OF THE INDEPENDENT AUDITORS TO
PROSOURCE.IT (UK) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the period ended 30 June 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

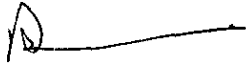
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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 to 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 full 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 Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.



Acumen Accountants and Advisors Limited
Bon Accord House
Riverside Drive
Aberdeen
AB11 7SL

23 December 2004

PROSOURCE.IT (UK) LIMITED

ABBREVIATED BALANCE SHEET

30 June 2004

	Notes	£	£
FIXED ASSETS:			
Tangible assets	2		8,497
Investments	3		-
			<u>8,497</u>
CURRENT ASSETS:			
Stocks		9,184	
Debtors		665,503	
Cash at bank		109,613	
		<u>784,300</u>	
CREDITORS: Amounts falling due within one year		413,646	
		<u>413,646</u>	
NET CURRENT ASSETS:			<u>370,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			379,151
PROVISIONS FOR LIABILITIES AND CHARGES:			768
			<u>£378,383</u>
CAPITAL AND RESERVES:			
Called up share capital	4	10,000	
Profit and loss account		368,383	
		<u>368,383</u>	
SHAREHOLDERS' FUNDS:			<u>£378,383</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



A Cowie - Director

Approved by the Board on 23 December 2004

NOTES TO THE ABBREVIATED ACCOUNTS
for the Period 20 January 2003 to 30 June 2004

1. ACCOUNTING POLICIES

Accounting convention

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).

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.

Plant and machinery	- 33% on cost
Motor vehicles	- 25% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
Additions	12,623
At 30 June 2004	<u>12,623</u>
DEPRECIATION:	
Charge for period	4,126
At 30 June 2004	<u>4,126</u>
NET BOOK VALUE:	
At 30 June 2004	<u><u>8,497</u></u>

3. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	1,084,214
At 30 June 2004	<u>1,084,214</u>
PROVISIONS:	
Provision during period	1,084,214
At 30 June 2004	<u>1,084,214</u>
NET BOOK VALUE:	
At 30 June 2004	<u><u>-</u></u>

PROSOURCE.IT (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the Period 20 January 2003 to 30 June 2004

3. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Promac Aberdeen Limited

Nature of business: Supply of computer consultancy services

	%
Class of shares:	holding
Ordinary	100.00

	£	£
Aggregate capital and reserves	200	763,030
Profit for the period	160,337	593,706
	<u> </u>	<u> </u>

With effect from 1 July 2004 the trading activities of Promac Aberdeen Limited were taken over by the company.

Outsource IT (Scotland) Limited

Nature of business: Provision of IT personnel and services

	%
Class of shares:	holding
Ordinary	100.00

	£	£
Aggregate capital and reserves	-	289,746
Profit for the period	-	171,110
	<u> </u>	<u> </u>

The trading activities of Outsource IT (Scotland) Limited were taken over by the company with effect from 1 July 2003 at which date Outsource ceased to trade and its remaining net assets were transferred to the company. An application has been made to Companies House to have Outsource IT (Scotland) Limited dissolved.

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
670,000	'A' Ordinary	£0.01	6,700
330,000	'B' Ordinary	£0.01	3,300
			<u> </u>
			10,000
			<u> </u>

The following shares were allotted and fully paid for cash at par during the period:

670,000 'A' Ordinary shares of £0.01 each

330,000 'B' Ordinary shares of £0.01 each

The company's authorised share capital comprising 6,700 'A' ordinary shares of £1 each and 3,300 'B' ordinary shares of £1 each was subdivided into 670,000 'A' ordinary shares of 1p each and 330,000 'B' ordinary shares of 1p each by an ordinary resolution passed on 6 May 2004.

The 'A' and 'B' ordinary shares rank equally in all respects.