

**TECNET SOFTWARE SERVICES LIMITED**

(Company Number 2765656)

**DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR TO 31 JANUARY 2002**



## DIRECTORS' REPORT

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The Director presents his Report and the Financial Statements of the Company for the Year to 31 January 2002.

### DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the Company's state of affairs and of its profit or loss for the year. When they prepare these statements the Directors are required to:

1. Select suitable accounting policies and apply them consistently.
2. Make judgements and estimates which are reasonable and prudent.
3. Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, at any time and with reasonable accuracy, the Company's financial position and which enable them to ensure that the Financial Statements comply with the Companies Act 1985. The Directors are also responsible for safeguarding the Company's assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

### PRINCIPAL ACTIVITY

The Company's principal activity remains the provision of computer services.

### DIRECTORS

The sole Director of the Company throughout the year and his interest, all of which is beneficial, in its issued ordinary shares was:


	ORDINARY SHARES HELD	
	31.1.02	31.1.01
AJ Waters	90	60

### DIVIDENDS

Interim dividends of £28,000 have been paid which is £280 for each issued Ordinary Share. A final dividend is not proposed

This report takes advantage of the special exemptions available to small companies.

On behalf of the Board

  
AJ WATERS  
Director

## BALANCE SHEET - 31 JANUARY 2002

31 January 2001

## CURRENT ASSETS

Suspense	1,635	-
Debtors (Note 3)	-	588
Cash at bank and in hand	157,186	213,455
	<u>158,821</u>	<u>214,043</u>

## CREDITORS

Amounts falling due within one year (Note 4)	<u>37,903</u>	<u>88,985</u>
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## NET CURRENT ASSETS

120,918	125,058
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## TOTAL ASSETS LESS CURRENT LIABILITIES

<u>120,918</u>	<u>125,058</u>
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## CREDITORS

Amounts falling due after more than one year

-

-

£ 120,918£ 125,058

## CAPITAL AND RESERVES

Called up Share Capital (Note 5)

100

100

Revenue Reserves

120,818

124,958

## EQUITY SHAREHOLDERS' FUNDS

£ 120,918£ 125,058

BALANCE SHEET - 31 JANUARY 2002 - Continued

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For the year to 31 January 2002 this Company is entitled to take advantage of the audit exemption conferred by subsection 1 of S249A of the Companies Act 1985. No notice about the Accounts for the year has been deposited under subsection 2 of S249B of this Act.

The Director acknowledges his responsibility to ensure that the Company keeps accounting records which comply with S221 of the Act and for preparing Accounts which give a true and fair view of the Company's state of affairs at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of S226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts so far as they apply to the Company.

These Financial Statements take advantage of the special provisions for small companies in Part VII of the Companies Act 1985 and are in accordance with the "Financial Reporting Standard for Smaller Entities (effective March 2000)"

Signed on behalf of the Board



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DIRECTOR

These Financial Statements were approved by the Board on 30 April 2002.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR TO 31 JANUARY 2002

		<i>Year to '31.1.01</i>
TURNOVER (Note 6)	33,706	99,525
Raw Materials and Consumables	(31)	-
GROSS PROFIT	33,675	99,525
Staff Costs (Note 7)	(6,404)	(10,029)
Depreciation	-	(353)
Other Operating Charges	(3,694)	(9,678)
OPERATING PROFIT	23,577	79,465
Interest receivable (Note 8)	5,511	6,654
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 9)	29,088	86,119
TAXATION (Note 10)	(5,228)	(17,219)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	23,860	68,900
DIVIDENDS	(28,000)	(40,000)
RETAINED PROFIT FOR THE YEAR	(4,140)	28,900
REVENUE RESERVES BROUGHT FORWARD	124,958	96,058
REVENUE RESERVES CARRIED FORWARD	<u>£ 120,818</u>	<u>£ 124,958</u>

The Company had no recognized gains or losses apart from those reported in these Profit and Loss Accounts. And there were neither acquisitions nor discontinued activities during the two years covered by these Profit and Loss Accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 JANUARY 2002

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## 1. ACCOUNTING POLICIES

## Basis of Accounting

The Financial Statements have been prepared according to the historical cost convention, prevailing Accounting Standards, the terms of the Companies Act 1985 and the provisions of Part VII of the Act available to small companies, and the "Financial Reporting Standard for Smaller Entities (effective March 2000)"

## Depreciation

Depreciation of Fixed Assets is provided to write off the net cost of each asset over the term of its useful life. Therefore Equipment is written off evenly over five years.

## Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and by the tax authorities) is provided in full by the liability method.

## Pension costs

The Company operates a defined contribution scheme for the benefit of its director. Contributions are charged in the Profit and Loss Account when they are made. The Company has no obligation to make contributions.

## Cash Flow Statement

The Company has not published a cash flow statement. It has taken advantage of the exemption provided to small companies by Financial Reporting Standard No. 1.

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 JANUARY 2002 - Continued

## 2. TANGIBLE FIXED ASSETS

	Plant and Equipment
Cost	
1 February 2001	6,594
Additions	-
Disposals	-
31 January 2002	<u>6,594</u>
Depreciation	
1 February 2001	6,594
Eliminated on disposals	-
31 January 2002	<u>6,594</u>
Net Book Values	
31 January 2002	<u>£ -</u>
31 January 2001	<u>£ -</u>

## 3. DEBTORS

	31.1.02	31.1.01
Trade Debtors	-	588
Other Debtors	-	-
	<u>£ -</u>	<u>£ 588</u>

## 4. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.02	31.1.01
Accrued Charges and Deferred Income	7,505	7,592
Taxation and Social Security	4,310	6,713
Corporation Tax	5,228	17,215
Loans from Directors	20,860	57,465
Other Creditors	-	-
	<u>£ 37,903</u>	<u>£ 88,985</u>

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 JANUARY 2002 - Continued

5. CALLED UP SHARE CAPITAL	31.1.02	31.1.01
Authorised:		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Allotted, Issued and Fully Paid:		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

## 6. TURNOVER

Turnover is the amount receivable for goods and services provided during the Year. It excludes Value Added Tax and trade discounts. All turnover was within the United Kingdom.

## 7. STAFF COSTS

During the Year the average weekly number of employees (including directors) was two (2001 - two). Payroll costs were:

	2002	2001
Wages, Salaries, and Expenses	6,216	6,216
Social security costs	188	201
Other pension costs	-	3,612
	<u>£ 6,404</u>	<u>£ 10,029</u>

All pension contributions were to defined contribution schemes.

## 8. INTEREST RECEIVABLE

All Interest receivable is on bank and other short term deposits.

9. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2002	2001
The Profit on ordinary activities before taxation is stated after charging:		
Directors' Emoluments		
- remuneration as executives	£ 6,216	£ 6,216
- pension contributions	£ -	£ 3,612



## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31 JANUARY 2002 - Continued

10. TAX ON PROFIT ON ORDINARY ACTIVITIES	2002	2001
The provision is wholly for UK Corporation Tax:		
On the taxable profit of the Year	5,228	17,215
Previous years	-	4
	<u>£ 5,228</u>	<u>£ 17,219</u>
11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2002	2001
Profit for the Financial Year	23,860	68,900
Dividends	(28,000)	(40,000)
	<u>(4,140)</u>	<u>28,900</u>
New share capital subscribed	-	96
Net change in shareholders' funds	<u>(4,140)</u>	<u>28,996</u>
Opening Shareholders' Funds	125,058	96,062
Closing Shareholders' Funds	<u>£ 120,918</u>	<u>£ 125,058</u>

All Shareholders' Funds are attributable to equity interests.