

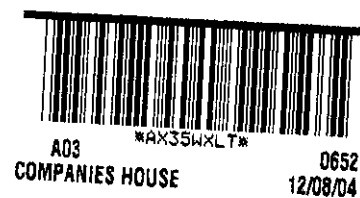
BOLTON-WAND COMPUTERS LIMITED

REPORT AND ACCOUNTS

31ST MARCH 2004

Registered number: 1575006 (England & Wales)

**Chris Duckett
Chartered Accountants
& Registered Auditors
Hereford**



BOLTON-WAND COMPUTERS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2004

The Directors present their annual report with the audited accounts of the company for the year ended 31st March 2004.

Principal activity

The principal activity of the company is the sale of computer equipment.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those accounts, the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors in office during the period and their beneficial interest in the issued ordinary share capital were as follows:

	<i>March 2004</i>	<i>March 2003</i>
A. S. Bolton	100,000	100,000
M. P. Bolton	4,050	4,000
J. A. Bolton (appointed 1st July 2003)	50	0

BOLTON-WAND COMPUTERS LIMITED
REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST MARCH 2004

Results and dividends

The profit for the year after taxation amounted to £2985. The directors recommend that a dividend is not paid and the above profit is therefore transferred to reserves.

Review of the business

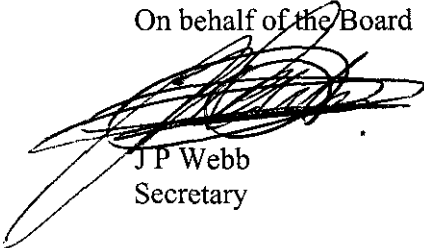
The directors are satisfied with the performance of the company this year and are confident that it will continue to improve in future years.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Chris Duckett be re-appointed auditors will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

On behalf of the Board



J P Webb
Secretary

5th August 2004

**BOLTON-WAND COMPUTERS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31ST MARCH 2004**

We have audited the accounts of Bolton-Wand Computers Limited for the year ended 31st March 2004, which comprises the Profit and Loss Account, the Balance sheet and the related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of auditors and directors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

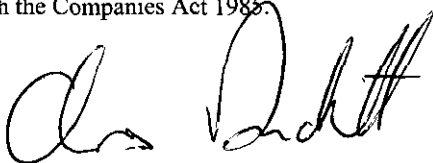
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Audit Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chris Duckett

Chartered Accountants & Registered Auditors
Thorn Office Centre
Hereford
5th August 2004

BOLTON-WAND COMPUTERS LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2004

	Note	2004 £	2003 £
Turnover	1	1,652,837	1,547,686
Cost of sales		1,430,647	1,277,299
Gross profit		<u>222,190</u>	<u>270,387</u>
Administrative expenses		219,700	256,090
Operating profit	2	<u>2,490</u>	<u>14,297</u>
Interest payable		0	(810)
Interest received		495	320
Profit on ordinary activities before taxation		<u>2,985</u>	<u>13,807</u>
Tax on profit on ordinary activities	4	0	0
Retained profit for the financial year after tax		<u>2,985</u>	<u>13,807</u>
Retained (loss) brought forward		(16,387)	(30,194)
Retained loss carried forward		<u><u>(13,402)</u></u>	<u><u>(16,387)</u></u>

The notes on pages 6 to 9 form an integral part of these accounts.

BOLTON-WAND COMPUTERS LIMITED
BALANCE SHEET
31ST MARCH 2004

	Note	2004 £	2003 £
Fixed assets			
Tangible assets	5	57,686	33,055
Current assets			
Stock	6	55,419	73,005
Debtors	7	442,548	495,968
Cash in hand		61,901	66
		<u>559,868</u>	<u>569,039</u>
Creditors: amounts falling due within one year	8	<u>514,851</u>	<u>514,381</u>
Net current assets		45,017	54,658
Total assets less current liabilities		<u>102,703</u>	<u>87,713</u>
Accruals & deferred income		(12,005)	0
Net assets		<u><u>90,698</u></u>	<u><u>87,713</u></u>
Capital & reserves			
Called up share capital	10	104,100	104,100
Profit & loss account		(13,402)	(16,387)
Shareholders' funds		<u><u>90,698</u></u>	<u><u>87,713</u></u>

The notes on pages 6 to 9 form an integral part of these accounts.

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

Signed on behalf of the Board



M P Bolton
5th August 2004

BOLTON-WAND COMPUTERS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2004

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

The turnover represents net invoiced sales of goods and services rendered excluding value added tax.

Tangible fixed assets

Tangible fixed assets are stated in the Balance Sheet at cost less depreciation. Depreciation is provided at the following rates, on the straight line method, in order to write off each asset over its estimated useful life;

Vehicles and Equipment	33 1/3% - 10%
------------------------	---------------

Stock

Stock has been valued by the directors at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

Pension contributions

Contributions to the company's defined contribution pension scheme are charged in the year in which they are paid.

Grants

Grants of a capital nature are credited to the Balance Sheet and amortised over the life of the assets to which they relate.

Income grants are taken to the profit & loss account in the year in which they are receivable

BOLTON-WAND COMPUTERS LIMITED
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2004

2 Operating profit/(loss)

The operating profit is stated after charging the following:

	2004 £	2003 £
Directors' remuneration	54,568	46,558
Depreciation of tangible fixed assets	16,442	12,582
Auditors' remuneration	3,000	2,500
	<u>54,568</u>	<u>46,558</u>

3 Directors' remuneration

	2004 £	2003 £
Emoluments	50,818	43,458
Pension schemes	3,750	3,100
	<u>54,568</u>	<u>46,558</u>

4 Taxation

The taxation charge for the year has been calculated at 19% (2003 - 19%).

	2004 £	2003 £
Corporation tax charge for the year	0	0
Corporation tax under provided last year	0	0
	<u>0</u>	<u>0</u>

5 Tangible fixed assets

	Land & buildings £	Plant & machinery £	Total £
Cost			
At 1st April 2003	4,910	145,521	150,431
Additions	0	41,073	41,073
Disposals	0	0	0
At 31st March 2004	<u>4,910</u>	<u>186,594</u>	<u>191,504</u>
Depreciation			
At 1st April 2003	1,366	116,010	117,376
Charge for the year	886	15,556	16,442
Disposals	0	0	0
At 31st March 2004	<u>2,252</u>	<u>131,566</u>	<u>133,818</u>
Net book value			
At 31st March 2004	<u>2,658</u>	<u>55,028</u>	<u>57,686</u>
At 31st March 2003	<u>3,544</u>	<u>29,511</u>	<u>33,055</u>

BOLTON-WAND COMPUTERS LIMITED
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2004

6 Stock

	2004	2003
	£	£
Goods for resale	<u>55,419</u>	<u>73,005</u>

7 Debtors

	2004	2003
	£	£
Trade debtors	413,452	457,779
Other debtors	25,096	38,189
	<u>438,548</u>	<u>495,968</u>

8 Creditors: amounts falling due within one year

	2004	2003
	£	£
Bank overdraft	0	79,897
Trade creditors	351,082	298,205
Social security & other taxes	22,406	12,069
Directors' loan accounts	90,830	80,500
Due to related undertakings	17,755	10,063
Other creditors & accruals	32,778	33,647
	<u>514,851</u>	<u>514,381</u>

9 Accruals & deferred income

<i>Grants receivable</i>	2004	2003
	£	£
Grants receivable	18,008	0
Less amortisation	(6,003)	0
C/fwd	<u>12,005</u>	<u>0</u>

BOLTON-WAND COMPUTERS LIMITED
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2004

10 Called up share capital

	2004 £	2003 £
Authorised 104,100 ordinary shares of £1 each	<u>104,100</u>	<u>104,100</u>
Allotted, issued & fully paid 104,100 ordinary shares of £1 each	<u>104,100</u>	<u>104,100</u>

11 Contingent liabilities

A capital grant was receivable by the company of £18008.
This grant is repayable in full if the company fails to keep operational and in good repair or changes the use of the assets for which the grant was made, for a period of 3 years.

12 Provisions for liabilities & charges

The liability is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	(3,200)	(1,600)
Other timing differences	0	(1,800)
	<u>(3,200)</u>	<u>(3,400)</u>

13 Controlling party

The company as a whole is controlled by the Bolton family.

14 Related party transactions

During the year, the company purchased goods to the value of £1,428 (2003: £800) Net Perfect Limited, a company in which the directors are materially interested as shareholders. To record amounts due to the related party, an intercompany account was used and the balance at the end of the year was £17,755 (2003:£10,063), and is shown in creditors due within 1 year. The goods were purchased on normal trading terms.
During the year, the company paid rent to Aseeb Limited, a related undertaking of £14,000 (2003: £18,000).
At the year end Aseeb Limited owed the company £4,000 (2003: £nil).

15 Transactions with directors

During the year the directors used a current account with the company to record amounts due to them and amounts drawn by them. The balance at the end of the year was £90830 (2003:£80500), which was the maximum outstanding during the year.