

KEYZONE COMPUTER PRODUCTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

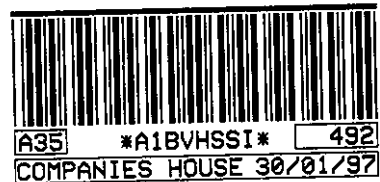
31 MARCH 1996

Registered number: 1687201

NAGLE JAMES ASSOCIATES

CHARTERED ACCOUNTANTS

LONDON



KEYZONE COMPUTER PRODUCTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

**Auditors' report to
Keyzone Computer Products Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985**

We have examined the abbreviated financial statements on pages 2 to 4 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1996, and the abbreviated financial statements on pages 2 to 4 have been properly prepared in accordance with that Schedule.

Other information

On ~~27 January 1997~~ we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

continued

KEYZONE COMPUTER PRODUCTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
continued

Auditors' report to
Keyzone Computer Products Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Nagle James Associates

64 The Mall
Ealing
London W5 5LS

Nagle James Associates
Registered Auditors
Chartered Accountants

22 January 1997

KEYZONE COMPUTER PRODUCTS LIMITED

ABBREVIATED BALANCE SHEET

at 31 March 1996

	Note	£	1996 £	£	1995 £
Fixed assets					
Tangible assets	2		6,474		4,842
Current assets					
Stocks		95,400		68,521	
Debtors		93,125		66,057	
Cash at bank and in hand		17,993		47,897	
			<u>206,518</u>	<u>182,475</u>	
Creditors: amounts falling due within one year			<u>(197,620)</u>	<u>(171,192)</u>	
Net current assets			8,898		11,283
Total assets less current liabilities			<u>15,372</u>		<u>16,125</u>
Capital and reserves					
Called up share capital	3		4,000		4,000
Profit and loss account			11,372		12,125
Total shareholders' funds			<u>15,372</u>		<u>16,125</u>

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 22 January 1997

V. Nathwani

Vinaylal Sunderji Nathwani
Director

KEYZONE COMPUTER PRODUCTS LIMITED
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 March 1996

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

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

Equipment and machinery	20% on written down value
Fixtures and fittings	10% on written down value

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 Tangible fixed assets

Cost	Tangible Fixed assets £
1 April 1995	14,371
Additions	3,200
31 March 1996	<u>17,571</u>
Depreciation	
1 April 1995	9,529
Charge for year	1,568
31 March 1996	<u>11,097</u>
Net book amount	
31 March 1996	<u><u>6,474</u></u>
1 April 1995	<u><u>4,842</u></u>

KEYZONE COMPUTER PRODUCTS LIMITED
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 March 1996

3 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary Shares of £1 each	10,000	10,000	10,000	10,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted called up and fully paid				
Ordinary Shares of £1 each	4,000	4,000	4,000	4,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>