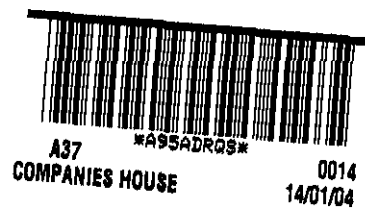


COMPANY NUMBER:
02304389 (ENGLAND & WALES)

LONDON AREA NETWORKS LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2003

FRANK P DONGWORTH & CO
CHARTERED ACCOUNTANTS
1ST FLOOR
30 LONDON ROAD
SAWBRIDGEWORTH
HERTFORDSHIRE
CM21 9JS



LONDON AREA NETWORKS LIMITED

COMPANY INFORMATION

Company Number: 02304389 (England & Wales)

Director: J.Bermingham

Registered Office: Honey Cottage,
Braintree Road,
Great Dunmow,
Essex,
CM6 1HU.

Accountants: Frank P Dongworth & Co
Chartered Accountants
1st Floor
30 London Road
Sawbridgeworth
Hertfordshire
CM21 9JS

LONDON AREA NETWORKS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2003

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LONDON AREA NETWORKS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST MARCH 2003

The director presents his report and the financial statements for the year ended 31st March 2003.

Principal activities

The principal activity of the company continues to be the provision of computer software services.

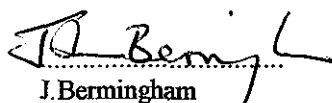
Director's interests

The director of the company during the year and his interests in the share capital of the company as recorded in the register of director's interests was as follows:

	<u>2003</u>	<u>2002</u>
	<u>No.</u>	<u>of shares</u>
J. Bermingham	50	50

This report was approved by the board on in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


J. Bermingham

ACCOUNTANTS' REPORT

TO THE DIRECTOR OF LONDON AREA NETWORKS LIMITED

As described in the balance sheet you are responsible for the preparation of the financial statements for the year ended 31st March 2003 set out on pages 3 to 6 and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Frank P. Dongworth & Co

Frank P Dongworth & Co
Chartered Accountants
1st Floor
30 London Road
Sawbridgeworth
Hertfordshire
CM21 9JS

Dated: *8th January 2004*

LONDON AREA NETWORKS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 2003**

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
<u>Turnover</u>	80,692	68,428
Administrative expenses	(79,476)	(65,202)
<u>Operating profit</u>	<u>1,216</u>	<u>3,226</u>
<u>Profit on ordinary activities before taxation</u>	<u>1,216</u>	<u>3,226</u>
<u>Retained Profit for the year</u>	<u>£ 1,216</u>	<u>£ 3,226</u>

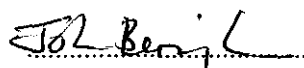
The annexed notes form part of these financial statements.

LONDON AREA NETWORKS LIMITED**BALANCE SHEET AS AT 31ST MARCH 2003**

	<u>Note</u>	<u>2003</u>	<u>2002</u>
		£	£
<u>Fixed assets</u>			
Tangible assets	2	2,968	3,956
<u>Current assets</u>			
Debtors	3	3,839	5,389
Cash at bank and in hand		1,458	2,769
		<u>5,297</u>	<u>8,158</u>
<u>Creditors</u>			
Amounts due within one year	4	(7,023)	(12,089)
<u>Net current liabilities</u>		<u>(1,726)</u>	<u>(3,931)</u>
<u>Total assets less current liabilities</u>		<u>1,242</u>	<u>25</u>
<u>Net assets</u>		<u>£ 1,242</u>	<u>£ 25</u>
<u>Capital and reserves</u>			
Called up share capital	5	100	100
Profit and loss account	6	1,142	(75)
<u>Shareholders' funds</u>		<u>£ 1,242</u>	<u>£ 25</u>

In the opinion of the director the company is entitled to claim exemptions from audit by virtue of subsection (1) of Section 249A of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31st March 2003. The director is responsible for ensuring that the company maintains accounting records in compliance with Section 221 of that Act and for preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with Section 226, and which comply with the other requirements of the Act relating to the accounts so far as applicable to the company.

These financial statements 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).


J. Bermingham

9/1/2004
Date

The annexed notes form part of these financial statements.

LONDON AREA NETWORKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2003****1. Accounting policies**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

Cashflow statement

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax and trade discounts.

Depreciation and diminution in value of assets

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis

2. Tangible fixed assets

	<u>Fixtures and Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost:</u>			
At 1st April 2002	8,496	4,443	12,939
At 31st March 2003	8,496	4,443	12,939
<u>Depreciation:</u>			
At 1st April 2002	5,390	3,593	8,983
Charge for the year	776	212	988
At 31st March 2003	6,166	3,805	9,971
<u>Net book value:</u>			
At 31st March 2003	£ 2,330	£ 638	£ 2,968
At 31ST March 2002	£ 3,106	£ 850	£ 3,956

LONDON AREA NETWORKS LIMITED**NOTES TO THE FINANCIAL STATEMENTS** (Continued)**FOR THE YEAR ENDED 31ST MARCH 2003**3. **Debtors**

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Due within one year:		
Trade debtors	3,839	5,389
	<u> </u>	<u> </u>

4. **Creditors - amounts falling due within one year**

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Taxation and social security	6,642	9,230
Director's current account	(149)	2,359
Other creditors	530	500
	<u> </u>	<u> </u>
	£ 7,023	£12,089
	<u> </u>	<u> </u>

5. **Share capital**

	<u>£</u>	<u>£</u>
<u>Allotted, called up and fully paid</u>		
Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>

6. **Profit and loss account**

	<u>2003</u>
	<u>£</u>
Balance at 1st April 2002	(74)
Profit retained for the year	1,216
	<u> </u>
Balance at 31st March 2003	£ 1,142
	<u> </u>

LONDON AREA NETWORKS LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 2003**

	<u>2003</u>		<u>2002</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Turnover</u>				
Turnover		80,692		68,428
Gross profit percentage		100.00 %		100.00 %
<u>Overheads</u>				
Overheads	79,476		65,202	
		79,476		65,202
<u>Profit on ordinary activities</u>		<u>£ 1,216</u>		<u>£ 3,226</u>

LONDON AREA NETWORKS LIMITED**SCHEDULE OF OVERHEAD EXPENSES****FOR THE YEAR ENDED 31ST MARCH 2003**

	<u>£</u>	<u>2003</u>	<u>£</u>	<u>2002</u>	<u>£</u>
<u>Overheads</u>					
Director's remuneration	53,351		39,328		
Employers national insurance	5,771		4,204		
Travel and motor expenses	7,007		7,447		
Telephone	768		1,359		
Insurance	-		492		
Pension costs	10,200		9,800		
Bank charges	90		89		
Accountancy fees	530		500		
Use of office	650		650		
Miscellaneous	121		15		
Depreciation	988		1,318		
		79,476		65,202	
<u>Total overhead expenses</u>		<u>£79,476</u>		<u>£65,202</u>	