

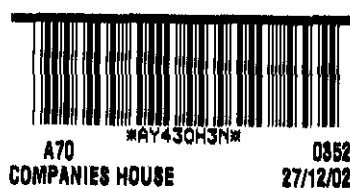
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Company Number: 2354167

A & P COMPUTERS LIMITED

FINANCIAL STATEMENTS

28 FEBRUARY 2002



Bessler Hendrie
Chartered Accountants

River House
6 Walnut Tree Park
Walnut Tree Close
Guildford
Surrey GU1 4TW

A & P COMPUTERS LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

Mr S Azeem
Mr M Cook
Mr A Din

SECRETARY

Mr S Azeem

REGISTERED OFFICE

Unit 5
Walnut Tree Park
Walnut Tree Close
Guildford
Surrey GU1 4TR

AUDITORS

Bessler Hendrie
Chartered Accountants
River House
6 Walnut Tree Park
Walnut Tree Close
Guildford
Surrey GU1 4TW

A & P COMPUTERS LIMITED**DIRECTORS' REPORT**

The Directors submit their Report and the Financial Statements of A & P Computers Limited for the year ended 28 February 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of computer sales and services.

REVIEW OF BUSINESS

The results for the 2002 year reflect the difficult trading environment being experienced throughout the IT industry. However, the company has continued to explore diversification into other computer related markets in order to mitigate these difficult trading conditions. This has proved successful.

Further to the above, trading after the year end has improved, and this together with reducing the overhead cost base, has enabled the directors, in the current financial year, to achieve a significant improvement in the company's position. In 2003 to date, the company has returned to profitability, and the directors are confident of achieving a much improved result for the year.

DIRECTORS

The following directors have held office since 1 March 2001:-

Mr P Moh (resigned 9 March 2002)

Mr S Azeem

Mr M J Cook

Mr A Din

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:-


	Ordinary shares of £1 each	
	28 February 2002	28 February 2001
Mr P Moh	1	1
Mr S Azeem	1	1

AUDITORS

A resolution to re-appoint Bessler Hendrie, Chartered Accountants, as auditors will be put to the members at 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.

By Order of the Board



Mr S Azeem

Secretary

24 December 2002

A & P COMPUTERS LIMITED**DIRECTORS' RESPONSIBILITIES IN THE PREPARATION
OF FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements 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 financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements 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 financial statements comply with the requirements of 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.

**AUDITORS' REPORT TO THE MEMBERS OF
A & P COMPUTERS LIMITED**

We have audited the financial statements of A & P Computers Limited for the year ended 28 February 2002 set out on Pages 5 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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

We report to you our opinion as to whether the financial statements 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 Directors' Report is not consistent with the financial statements, 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

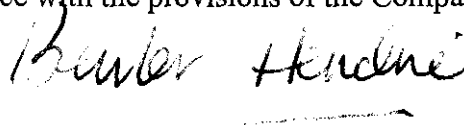
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. 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 at 28 February 2002 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

BESSLER HENDRIE

Registered Auditor
Chartered Accountants
River House
6 Walnut Tree Park
Walnut Tree Close
Guildford
Surrey GU1 4TW



24 December 2002

A & P COMPUTERS LIMITED

PROFIT AND LOSS ACCOUNT
 for the year ended 28 February 2002


	Notes	2002	2001
TURNOVER	1	3,318,039	4,628,914
Cost of sales		2,598,871	3,875,013
Gross profit		719,168	753,901
Other operating expenses	2	873,908	745,930
OPERATING (LOSS)/PROFIT		(154,740)	7,971
Investment income	3	2,233	7,363
Interest payable		(5,541)	(7,519)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(158,048)	7,815
Taxation	6	(2,000)	1,781
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		(156,048)	6,034
Retained profit at 1 March 2001		607,989	601,955
RETAINED PROFIT AT 28 FEBRUARY 2002		£ 451,941	£ 607,989

A & P COMPUTERS LIMITED**BALANCE SHEET****28 February 2002**

	Notes	2002	2001
FIXED ASSETS			
Tangible assets	7	72,435	80,968
CURRENT ASSETS			
Stocks		169,237	133,896
Debtors	8	518,121	984,653
Cash at bank and in hand		26,845	56,838
		<u>714,203</u>	<u>1,175,387</u>
CREDITORS			
Amounts falling due within one year	9	318,890	627,721
		<u>395,313</u>	<u>547,666</u>
NET CURRENT ASSETS			
		<u>467,748</u>	<u>628,634</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	10	15,805	20,643
PROVISIONS FOR LIABILITIES AND CHARGES			
	11	-	-
		<u>£ 451,943</u>	<u>£ 607,991</u>
CAPITAL AND RESERVES			
Called up share capital	13	2	2
Profit and loss account		451,941	607,989
		<u>£ 451,943</u>	<u>£ 607,991</u>
SHAREHOLDERS' FUNDS			

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

Approved by the Board on 24 December 2002

 Director
Mr S Azeem

A & P COMPUTERS LIMITED**ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective June 2002).

The company's policy for deferred tax was changed during the year in order to comply with the Financial Reporting Standard for Smaller Entities (effective June 2002). However, no material adjustment applicable to prior periods arises from this change.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:-

Fixtures and equipment	25%	reducing balance
Motor vehicles	25%	reducing balance

STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

A & P COMPUTERS LIMITED

ACCOUNTING POLICIES

LEASED ASSETS AND OBLIGATIONS continued

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the profit and loss on a straight line basis over the lease term.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

PENSIONS

"Pension contributions" represents amounts paid on behalf of employees into private pension plans held by those employees.

A & P COMPUTERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
for the year ended 28 February 2002**1. TURNOVER**

The company's turnover and (loss)/profit before taxation were all derived from its principal activity, less than 1% of which were attributable to markets outside the United Kingdom.

2. OTHER OPERATING EXPENSES

	2002	2001
Administration expenses	904,738	768,730
Other operating income	(30,830)	(22,800)
	<u>£ 873,908</u>	<u>£ 745,930</u>

3. INVESTMENT INCOME

Other interest receivable	<u>£ 2,233</u>	<u>£ 7,363</u>
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4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting):	£	£
Depreciation of tangible fixed assets	23,853	20,737
Operating lease rentals:		
land and buildings	50,000	50,000
Auditors' remuneration	6,000	5,250
Rental income	(30,830)	(22,800)
Loss on disposal of tangible fixed assets	627	4,225
	<u>£</u>	<u>£</u>

5. DIRECTORS' REMUNERATION

Aggregate emoluments	<u>£ 213,624</u>	<u>£ 232,680</u>
Payments made to money purchase schemes for the above directors	<u>£ 14,183</u>	<u>£ 9,904</u>
	No.	No.
The number of directors to whom retirement benefits are accruing under money purchase schemes is:	<u>3</u>	<u>3</u>

A & P COMPUTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2002

	2002	2001
6. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES		
Current tax:		
UK Corporation tax on (loss)/profit of the year	(1,982)	2,000
Adjustments in respect of previous years	(18)	(219)
	<u>£ (2,000)</u>	<u>£ 1,781</u>

7. TANGIBLE FIXED ASSETS

	Fittings and equipment	Motor vehicles	TOTAL
Cost:			
1 March 2001	60,604	98,818	159,422
Additions	10,807	10,565	21,372
Disposals	-	(9,008)	(9,008)
	<u>71,411</u>	<u>100,375</u>	<u>171,786</u>
28 February 2002			
Depreciation:			
1 March 2001	43,601	34,853	78,454
Charge in the year	6,954	16,899	23,853
Disposals	-	(2,956)	(2,956)
	<u>50,555</u>	<u>48,796</u>	<u>99,351</u>
28 February 2002			
Net book value:			
28 February 2002	20,856	51,579	£ 72,435
	<u>20,856</u>	<u>51,579</u>	<u>£ 72,435</u>
28 February 2001	17,003	63,965	£ 80,968
	<u>17,003</u>	<u>63,965</u>	<u>£ 80,968</u>

The net book value of motor vehicles includes £51,579 (2001: £63,965) in respect of assets held under finance leases and hire purchase contracts. The amount of depreciation in respect of such assets amounted to £16,899 for the year (2001: £15,067).

A & P COMPUTERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2002**

	2002	2001
8. DEBTORS		
Trade debtors	465,777	933,498
Other debtors	52,344	51,155
	<u> </u>	<u> </u>
	£ 518,121	£ 984,653
	<u> </u>	<u> </u>

Debtors include £20,000 (2001: £20,000) repayable in more than one year.

9. CREDITORS		
Amounts falling due within one year:		
Trade creditors	219,642	496,970
Corporation tax	-	2,000
Other taxation and social security costs	51,166	61,447
Obligations under finance leases	9,088	31,265
Other creditors	38,994	36,039
	<u> </u>	<u> </u>
	£ 318,890	£ 627,721
	<u> </u>	<u> </u>

10. CREDITORS		
Amounts falling due in more than one year:		
Obligations under finance leases	£ 15,805	£ 20,643
	<u> </u>	<u> </u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

Warranty claims provision:		
1 March 2001	-	40,224
Reversed in year	-	(40,224)
	<u> </u>	<u> </u>
28 February 2002	£ -	£ -
	<u> </u>	<u> </u>

A & P COMPUTERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2002****12. DEFERRED TAXATION**

As at 28 February 2002, there is a deferred tax asset of £25,405 analysed as under. No deferred tax asset has been recognised in these Accounts on the basis that there is insufficient evidence when the asset will be recoverable, which depends upon the company's future taxable profits.

	2002	2001
Tax losses carried forward	27,669	-
Accelerated depreciation over capital allowances	1,090	425
	<u>£ 28,759</u>	<u>£ 425</u>

13. SHARE CAPITAL

Authorised:

1,000 Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
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Allotted, issued and fully paid:

2 Ordinary shares of £1 each	<u>£ 2</u>	<u>£ 2</u>
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14. COMMITMENTS UNDER OPERATING LEASES

At 28 February 2002 the company had annual commitments under non-cancellable operating leases as follows:-

Land and buildings:

expiring within 2 to 5 years	50,000	-
expiring after 5 years	-	50,000
	<u>£ 50,000</u>	<u>£ 50,000</u>

15. PENSION COMMITMENTS

The pension charge for the period was £14,183 (2001: £9,904), which related to amounts paid into money purchase schemes on behalf of directors and other employees.

A & P COMPUTERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28 February 2002**

16. RELATED PARTY TRANSACTIONS

During the year, sales of £1,689 (2001: £Nil) were made to The Multimedia PC Company (UK) Limited during the ordinary course of business. Mr Azeem is a director and shareholder of The Multimedia PC Company (UK) Limited. At 28 February 2002, The Multimedia PC Company (UK) Limited owed A & P Computers Limited £Nil (2001: £2,794).

During the year, purchases of £Nil (2001: £60,556) and consultancy services of £Nil (2001: £39,814) were procured from A C Computers and sales of £1,264 (2001: £Nil) were made to A C Computers during the ordinary course of business. Mr A Din is a partner in A C Computers.

During the year, sales of £1,730 (2001: £8,028) were made to Oakleaf Enterprises Limited during the ordinary course of business. Mr Azeem is a director of Oakleaf Enterprises Limited. At 28 February 2002, Oakleaf Enterprises Limited owed A & P Computers Limited £Nil (2001: £82).

During the year, sales of £8,838 (2001: £6,850) were made to Walton Marina Limited during the ordinary course of business. Mr Cook is a director of Walton Marina Limited. At 28 February 2002, Walton Marina Limited owed A & P Computers Limited £Nil (2001: £772).

During the year, sales of £8,711 (2001: £9,114) and purchases of £20,978 (2001: £35,785) were made to Mediatron Limited during the ordinary course of business. In addition, rent of £6,800 (2001: £6,100) was charged to Mediatron Limited in respect of its occupation of part of the premises. As at 28 February 2002 Mr Azeem and Mr Moh are directors and the controlling shareholders of Mediatron Limited. In addition, there is a loan of £20,000 (2001: £20,000) outstanding from Mediatron Limited on which interest is charged at a commercial rate. This is an arm's length transaction, and interest charged during the year was £1,600 (2001: £1,600). At 28 February 2002 A & P Computers Limited owed Mediatron Limited £2,482 (2001: £1,026), arising from the trading activities.

During the year, sales of £285 (2001: £Nil) were made to Calltel Telecom Limited during the ordinary course of business. In addition, rent of £2,100 (2001: £Nil) was charged to Calltel Telecom Limited in respect of its occupation of part of the premises. Mr Azeem is a director and shareholder of Calltel Telecom Limited. At 28 February 2002, Calltel Telecom Limited owed A & P Computers Limited £2,452 (2001: £Nil).