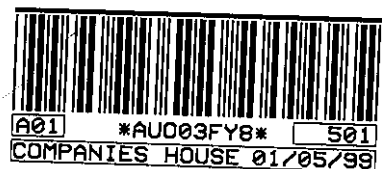


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NEXGEN SYSTEMS LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30th JUNE 1998



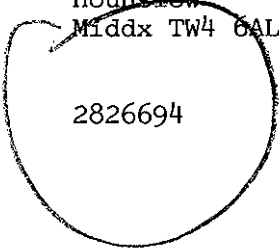
NEXGEN SYSTEMS LIMITED

DIRECTORS: Baljit Kaur Kahlon
Rakesh Patel

SECRETARY: Baljit Kaur Kahlon

REGISTERED OFFICE: 158 Cardington Square
Hounslow
Middx TW4 6AL

REGISTERED NUMBER 2826694



NEXGEN SYSTEMS LIMITEDBALANCE SHEET
AS AT 30th JUNE 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		£	£
FIXED ASSETS			
Tangible Assets	12	5,718	7,623
CURRENT ASSETS			
Stock and Work in Progress	13	-	3,075
Debtors	14	14,626	1,151
Cash at Bank and in Hand		10,415	2,030
		<u>25,041</u>	<u>6,256</u>
CREDITORS : amounts falling due within one year	16	<u>30,892</u>	<u>33,579</u>
NET CURRENT LIABILITIES		<u>(5,851)</u>	<u>(27,323)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ (133)</u>	<u>£ (19,700)</u>
CAPITAL AND RESERVES			
Share Capital	18	3	3
Profit and Loss Account	19	(136)	(19,703)
	17	<u>£ (133)</u>	<u>£ (19,700)</u>

The directors confirm:

- (1) for these accounts the company was entitled to the exemption conferred by subsection (10 Section 249A of the Companies Act 1985;
- (2) no notice has been deposited under subsection (2) of section 249B of the Companies Act, 1985 in relation to these accounts;
- (3) their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985
- (4) their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit for the financial year in accordance with requirement of Section 226 which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company;
- (5) the directors have taken advantage of the exemptions conferred by Schedule 8 of the Companies Act, 1985 and have done so on the grounds that, in their opinion, the company is entitled to these exemptions as a small Company.

Signed on behalf of the Board of Directors by;

Dr. Kahlman

Director

Approved by the Board on 14th April, 1999

The notes on pages 4 to 12 form part of abbreviated financial statements.

NEXGEN SYSTEMS LIMITED**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention and on a going concern basis.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent is probable that an actual liability will crystallise.

Fixed Assets and Depreciation

Depreciation is provided by the group to write off the cost of the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer and Equipment	- 25% of NBV
Fixtures and Fittings	- 25% of NBV

2. TURNOVER

Turnover represents amounts receivable, excluding VAT, for goods and services invoiced during the year. The turnover is derived wholly from the company's activity in the United Kingdom.

NEXGEN SYSTEMS LIMITED**12. TANGIBLE FIXED ASSETS**

	<u>Motor Vehicles</u> £	<u>Computer & Equipment</u> £	<u>Fixtures & Fittings</u> £	<u>Total</u> £
COST OR VALUATION				
At 1st JULY 1997	-	12,459	2,233	14,692
At 30th JUNE 1998	-	12,459	2,233	14,692
DEPRECIATION				
At 1st JULY 1997	-	5,741	1,328	7,069
Charge for YEAR	-	1,679	226	1,905
At 30th JUNE 1998	-	7,420	1,554	8,974
NET BOOK VALUE				
At 30th JUNE 1998	-	5,039	679	5,718
At 30th JUNE 1997	-	6,718	905	7,623

NEXGEN SYSTEMS LIMITED13. STOCKS

	<u>1998</u> £	<u>1997</u> £
Stock	-	3,075

Stock has been valued at cost and net realisable value.

NEXGEN SYSTEMS LIMITED

7

14. DEBTORS

	<u>1998</u>	<u>1997</u>
	£	£
Amounts due within one year:		
Debtors & Prepayments	14,626	370
Value Added Tax	-	781
	<u>14,626</u>	<u>1,151</u>

NEXGEN SYSTEMS LIMITED

8

15. CASH AT BANK

1998
£

1997
£

Cash At Bank

10415

16. CREDITORS

Amounts falling due within one year:	<u>1998</u>	<u>1997</u>
	£	£
Creditors & Accruals	12,685	9,802
Taxation	2,352	-
Social Security and Other Taxes	7,718	-
Other Creditors	8,137	23,777
	<u>30,892</u>	<u>33,579</u>

NEXGEN SYSTEMS LIMITED18. SHARE CAPITAL

	<u>1998</u> £	<u>1997</u> £
Authorised	<u>1000</u>	<u>1000</u>
Allotted, Issued and Fully Paid	<u>3</u>	<u>3</u>

NEXGEN SYSTEMS LIMITED19. RESERVES

	Share Premium Account £	Revaluation Reserve £	Other Reserves £	Profit & Loss A/c £
At 1st JULY 1997	-	-	-	(19,703)
Prior YEAR adjustment	-
	(19,703)
Premium on Allotment in the YEAR
Surplus on revaluation of Land & Buildings
Transfers to/from Profit & Loss	-
Transfer of Realised Profits
Retained Profit for the YEAR				19,567
	-	-	-	(136)

NEXGEN SYSTEMS LIMITED

12

27. DIVIDENDS

	<u>1998</u>	<u>1997</u>
	£	£
Dividends - Final	9,000	-

9. TAXATION

The tax charge on the profit on ordinary activities was as follows:

	<u>1998</u>	<u>1997</u>
	£	£
Corporation Tax	2,352	-
	<u> </u>	<u> </u>

Corporation tax has been charged on the profit at 21%

NEXGEN SYSTEMS LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30th JUNE 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		£	£
TURNOVER	2	49,808	12,746
Cost of Sales		9,609	11,341
<u>GROSS PROFIT</u>		40,199	1,405
Net Operating Expenses			
Administrative Expenses		9,282	7,974
<u>OPERATING PROFIT/(LOSS)</u>	3	30,917	(6,569)
Income from Investments	7	2	-
		30,919	(6,569)
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION</u>		30,919	(6,569)
Tax on Ordinary Activities	9	2,352	-
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u>			
<u>AFTER TAXATION</u>		28,567	(6,569)
Dividends	27	9,000	-
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>		£ 19,567	£ (6,569)
<u>STATEMENT OF RETAINED EARNINGS</u>			
Loss Brought Forward		(19,703)	(13,134)
Retained Profit/(Loss) for the Year		19,567	(6,569)
RETAINED LOSS CARRIED FORWARD		£ (136)	£ (19,703)