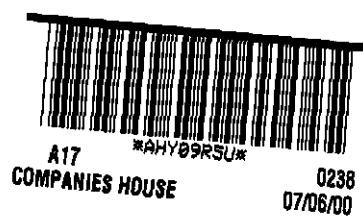


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COMPANY NUMBER:
3006303(ENGLAND & WALES)

AXIS (MILTON) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1999

THE SOUTHILL PARTNERSHIP
CHARTERED ACCOUNTANTS
SOUTHILL
CORNBURY PARK
CHARLBURY
OXFORDSHIRE
OX7 3EW



AXIS (MILTON) LIMITED

COMPANY INFORMATION

Company Number: 3006303(England & Wales)

Director: J M Schneider

Secretary: J Woolfson

Registered Office: 6 Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Accountants: The Southill Partnership
Chartered Accountants
Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Bankers: Midland Bank Plc
18 Market Place
Chipping Norton
Oxon
OX7 5NE

AXIS (MILTON) LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1999

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AXIS (MILTON) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1999

The director presents his report and the financial statements for the year ended 31st December 1999.

Principal activities

The principal activity of the company continues to be that of computer hardware and software consultancy.

Review of business

The director considers the profit achieved on ordinary activities before taxation to be satisfactory

Fixed assets

Changes in fixed assets during the year are set out in the notes to the financial statements.

Results and dividends

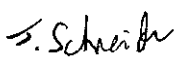
Interim dividends of £18,595 (£188.95 per share) were paid during the year. No final dividend is proposed, the retained profits of £2,123 being transferred to reserves.

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:

	1999 No.	1998 of shares
J M Schneider	99	99

On behalf of the board


.....
J M Schneider

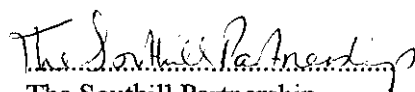
Date: 29/5/00

6 Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

ACCOUNTANTS' REPORT

TO THE DIRECTOR OF AXIS (MILTON) LIMITED

In accordance with instructions given to us we have drawn up accounts for the company for the year ending 31st December 1999 according to the accounting provisions of the Companies Act 1985. You have confirmed that the company is totally exempt from the audit requirement, and we have not carried out an audit. The accounts on pages 3 to 8 are therefore based on the information shown in the accounting records and on the information and explanations you have supplied to us.



The Southill Partnership
Chartered Accountants
Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Date: 16/00

AXIS (MILTON) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Note	1999 £	1998 £
Turnover	2	34,070	45,425
Administrative expenses		8,003	11,673
Operating profit	3	26,067	33,752
Tax on profit on ordinary activities	6	(5,349)	(7,711)
Profit for the financial year		20,718	26,041
Dividends	7	(18,595)	(15,000)
Retained profit for the year		£ 2,123	£ 11,041

The company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard 3 during 1999 therefore turnover and operating profit derive entirely from continued operations.

The company has no recognised gains or losses other than the profit for the financial year.

The annexed notes form part of these financial statements.

AXIS (MILTON) LIMITED

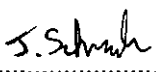
BALANCE SHEET

AT 31ST DECEMBER 1999

	Note	£	1999 £	£	1998 £
Fixed assets					
Tangible assets	8		3,828		7,263
Current assets					
Debtors	9	5,875		4,030	
Cash at bank and in hand		13,211		7,396	
		<u>19,086</u>		<u>11,426</u>	
Creditors					
Amounts falling due within one year	10	<u>9,737</u>		<u>7,635</u>	
Net current assets			<u>9,349</u>		<u>3,791</u>
Total assets less current liabilities and Net assets			<u>£ 13,177</u>		<u>£ 11,054</u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		<u>13,077</u>		<u>10,954</u>
Shareholders' funds	13		<u>£ 13,177</u>		<u>£ 11,054</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. No notice has been deposited by shareholders to invalidate this exemption. The director is responsible for seeing 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.

Approved by the board of directors on (date) and signed on its behalf

 29/5/00
.....
J M Schneider

The annexed notes form part of these financial statements.

AXIS (MILTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

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 director's report and which is continuing.

Turnover

Turnover comprises the invoiced value of goods and 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:

Office equipment	25% reducing balance
------------------	----------------------

Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent it is considered that a net liability may crystallise.

Cashflow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cashflow statement for the year.

2. Turnover

Turnover is attributable solely to continuing operations and derives from one activity as described in the director's report.

AXIS (MILTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

3.	Operating profit	1999	1998
		£	£
	This is stated after charging:		
	Depreciation of owned assets	1,808	2,421
		<u> </u>	<u> </u>
4.	Director's emoluments		
		1999	1998
		£	£
	Director's emoluments	3,300	3,360
		<u> </u>	<u> </u>
5.	Staff costs		
	The average number of persons employed by the company, including directors, during the year was as follows:		
		1999	1998
	Office and management	2	2
		<u> </u>	<u> </u>
	The aggregate payroll costs of these persons were as follows:		
		1999	1998
		£	£
	Wages and salaries	3,300	3,360
		<u> </u>	<u> </u>
		£3,300	£3,360
		<u> </u>	<u> </u>
6.	Taxation on profit on ordinary activities		
		1999	1998
		£	£
	Current year:		
	United Kingdom Corporation Tax	5,349	7,711
		<u> </u>	<u> </u>
	Corporation Tax has been charged at 20.25% (1998 23.25%)		

AXIS (MILTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

7. Dividends

	1999 £	1998 £
Interim dividends of £188.95 per ordinary share	18,895	15,000
	<u> </u>	<u> </u>

8. Tangible fixed assets

	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost:			
At 1st January 1998	2,560	6,839	9,399
Additions	250	-	250
	<u> </u>	<u> </u>	<u> </u>
At 31st December 1999	2,810	6,839	9,649
	<u> </u>	<u> </u>	<u> </u>
Depreciation:			
At 1st January 1998	2,024	1,989	4,013
Charge for the year	595	1,213	1,808
	<u> </u>	<u> </u>	<u> </u>
At 31st December 1999	2,619	3,202	5,821
	<u> </u>	<u> </u>	<u> </u>
Net book value:			
At 31st December 1999	£ 191	£3,637	£3,828
	<u> </u>	<u> </u>	<u> </u>
At 31st December 1998	£ 536	£4,850	£5,386
	<u> </u>	<u> </u>	<u> </u>

9. Debtors

	1999 £	1998 £
Due within one year:		
Trade debtors	5,875	4,030
	<u> </u>	<u> </u>

AXIS (MILTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

10. Creditors - amounts falling due within one year

	1999	1998
	£	£
Director's current account	2,171	49
Corporation tax	5,349	7,086
Other taxes and social security	1,719	-
Accruals and deferred income	500	500
	<u>£ 9,737</u>	<u>£ 7,635</u>

11. Share capital

	1999	1998
Authorised		
Ordinary shares of £1 each	1,000	1,000
	<u>£</u>	<u>£</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	100	100
	<u>£</u>	<u>£</u>

12. Profit and loss account

	1999
	£
Balance at 1st January 1998	10,954
Profit retained for the year	2,123
	<u>£13,077</u>

13. Reconciliation of movements in shareholders' funds

	1999	1998
	£	£
Profit for the financial year	20,718	26,041
Dividends	18,595	15,000
	<u>2,123</u>	<u>11,041</u>
Retained profit for the year		
Shareholders' funds at 1st January 1998	11,054	13
Shareholders' funds at 31st December 1999	<u>£ 13,177</u>	<u>£ 11,054</u>