

REPORT OF THE DIRECTOR AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2004
FOR
K2 SOFTWARE LIMITED



K2 SOFTWARE LIMITED

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FOR THE YEAR ENDED 5TH APRIL 2004

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K2 SOFTWARE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 5TH APRIL 2004

DIRECTOR: K Phillips

SECRETARY: Mrs K Phillips

REGISTERED OFFICE: Wheatleys
High Road
ASHTON KEYNES
Wiltshire
SN6 6NX

REGISTERED NUMBER: 03049739 (England and Wales)

ACCOUNTANTS: Ekins & Co (Swindon)
Accountants and Tax Consultants
31 Victoria Road
SWINDON
Wiltshire
SN1 3AW

K2 SOFTWARE LIMITED

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 5TH APRIL 2004

The director presents his report with the financial statements of the company for the year ended 5th April 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of computer programming consultants.

DIRECTOR

K Phillips was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	5.4.04	6.4.03
Ordinary £1 shares	1	1

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

K. Phillips
.....
Mrs K Phillips - Secretary

Date: *13 Jan 05*

K2 SOFTWARE LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 5TH APRIL 2004

		5.4.04	5.4.03
	Notes	£	£
TURNOVER		72,437	87,556
Administrative expenses		49,145	44,806
OPERATING PROFIT	2	23,292	42,750
Interest receivable and similar income		1,070	1,035
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		24,362	43,785
Tax on profit on ordinary activities	3	3,307	7,941
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		21,055	35,844
Dividends	4	29,250	30,000
		(8,195)	5,844
Retained profit brought forward		41,428	35,584
RETAINED PROFIT CARRIED FORWARD		<u>£33,233</u>	<u>£41,428</u>

The notes form part of these financial statements

K2 SOFTWARE LIMITED**BALANCE SHEET**
5TH APRIL 2004

		5.4.04		5.4.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		1,506		1,439
CURRENT ASSETS:					
Stocks		3,825		-	
Debtors	6	8,674		4,144	
Cash at bank		69,680		130,756	
		82,179		134,900	
CREDITORS: Amounts falling due within one year	7	50,450		94,909	
NET CURRENT ASSETS:			31,729		39,991
TOTAL ASSETS LESS CURRENT LIABILITIES:			£33,235		£41,430
CAPITAL AND RESERVES:					
Called up share capital	8		2		2
Profit and loss account			33,233		41,428
SHAREHOLDERS' FUNDS:			£33,235		£41,430

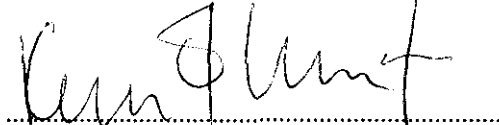
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 5th April 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 5th April 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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 with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


K Phillips - Director

Approved by the Board on

January 13th '05

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2004****1. ACCOUNTING POLICIES****Accounting convention**

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

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Office equipment	- 33% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	5.4.04 £	5.4.03 £
Depreciation - owned assets	<u>1,635</u>	<u>358</u>
Director's emoluments and other benefits etc	<u>21,701</u>	<u>21,309</u>

3. TAXATION**Analysis of the tax charge**

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

	5.4.04 £	5.4.03 £
Current tax:		
UK corporation tax	<u>3,307</u>	<u>7,941</u>
Tax on profit on ordinary activities	<u>3,307</u>	<u>7,941</u>

4. DIVIDENDS

	5.4.04 £	5.4.03 £
Interim - Ordinary shares	<u>29,250</u>	<u>30,000</u>

K2 SOFTWARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2004****5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Office equipment	Totals
	£	£	£
COST:			
At 6th April 2003	1,818	11,150	12,968
Additions	-	1,702	1,702
At 5th April 2004	1,818	12,852	14,670
DEPRECIATION:			
At 6th April 2003	1,215	10,314	11,529
Charge for year	244	1,391	1,635
At 5th April 2004	1,459	11,705	13,164
NET BOOK VALUE:			
At 5th April 2004	359	1,147	1,506
At 5th April 2003	603	836	1,439

**6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	5.4.04 £	5.4.03 £
V.A.T.	743	-
Trade debtors	7,931	4,144
	8,674	4,144

**7. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	5.4.04 £	5.4.03 £
Directors current accounts	39,725	49,209
Other creditors	2,091	27,415
V.A.T.	-	5,341
Social security & other taxes	5,365	5,020
Taxation	3,269	7,924
	50,450	94,909

K2 SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5TH APRIL 2004

8. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	5.4.04 £	5.4.03 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	5.4.04 £	5.4.03 £
2	Ordinary	£1	<u>2</u>	<u>2</u>