

Abbreviated Financial Statements
for the Period 1 October 1998 to 31 December 1999
for
Square Root Limited



**Contents of the Abbreviated Financial Statements
for the Period 1 October 1998 to 31 December 1999**

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

Company Information
for the Period 1 October 1998 to 31 December 1999

DIRECTORS: J E G Taylor C.Chem,FRSC,C.Eng.
A P Copeland C.Chem,MRSC.

SECRETARY: J E G Taylor C.Chem,FRSC,C.Eng.

REGISTERED OFFICE: 102-116 Windmill Road
Croydon
Surrey
CR0 2XQ

REGISTERED NUMBER: 03138663 (England and Wales)

AUDITORS: Gibsons
Chartered Certified Accountants
Registered Auditors
Pissarro House
77a Westow Hill
London
SE19 1TZ

**Report of the Auditors to
Square Root Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the period ended 31 December 1999 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

Gibsons
Chartered Certified Accountants
Registered Auditors
Pissarro House
77a Westow Hill
London
SE19 1TZ

G. L.

Dated: 22 September 2000

Abbreviated Balance Sheet
31 December 1999

		31.12.99		30.9.98	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		450,650		153,457
Investments	3		2		-
			<u>450,652</u>		<u>153,457</u>
CURRENT ASSETS:					
Stocks		18,957		-	
Debtors	4	795,941		233,573	
Cash at bank and in hand		216,637		568,174	
		<u>1,031,535</u>		<u>801,747</u>	
CREDITORS: Amounts falling due within one year	5	556,553		530,577	
			<u>474,982</u>		<u>271,170</u>
NET CURRENT ASSETS:					
			<u>925,634</u>		<u>424,627</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:					
CREDITORS: Amounts falling due after more than one year	5		150,351		-
			<u>£775,283</u>		<u>£424,627</u>
CAPITAL AND RESERVES:					
Called up share capital	6		100,000		10,000
Profit and loss account			675,283		414,627
			<u>£775,283</u>		<u>£424,627</u>
SHAREHOLDERS' FUNDS:					
			<u>£775,283</u>		<u>£424,627</u>

These abbreviated financial statements have 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:


J E G Taylor C.Chem,FRSC,C.Eng. - DIRECTOR

Approved by the Board on 22 September 2000

The notes form part of these financial statements

**Notes to the Abbreviated Financial Statements
for the Period 1 October 1998 to 31 December 1999**

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 March 2000).

Turnover

Turnover represents net invoiced services provided, 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	- 15% on reducing balance
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

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.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 October 1998	251,452
Additions	377,840
Disposals	(11,180)
	<hr/>
At 31 December 1999	618,112
	<hr/>
DEPRECIATION:	
At 1 October 1998	97,995
Charge for period	74,358
Eliminated on disposals	(4,891)
	<hr/>
At 31 December 1999	167,462
	<hr/>
NET BOOK VALUE:	
At 31 December 1999	450,650
	<hr/>
At 30 September 1998	153,457
	<hr/>

**Notes to the Abbreviated Financial Statements
for the Period 1 October 1998 to 31 December 1999**

3. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	2
	<hr/>
At 31 December 1999	2
	<hr/>
NET BOOK VALUE:	
At 31 December 1999	2
	<hr/>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

ACS Analysis Limited

Nature of business: Dormant Company

	%
Class of shares:	holding
Ordinary	100.00

4. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.99	30.9.98
	£	£
Loan receivable	108,500	-
	<hr/>	<hr/>

5. CREDITORS

The following secured debts are included within creditors:

	31.12.99	30.9.98
	£	£
Other loans	182,978	-
	<hr/>	<hr/>

**Notes to the Abbreviated Financial Statements
for the Period 1 October 1998 to 31 December 1999**

6. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.12.99 £	30.9.98 £
1,000,000 (30.9.98 - 10,000)	Ordinary	£1	1,000,000	10,000
			<u>1,000,000</u>	<u>10,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.99 £	30.9.98 £
100,000 (30.9.98 - 10,000)	Ordinary	£1	100,000	10,000
			<u>100,000</u>	<u>10,000</u>

90,000 Ordinary shares of £1 each were allotted as fully paid as a bonus issue out of reserves during the period.

A Special Resolution was passed during the period to increase the authorised share capital from 10,000 to 1,000,000.