

PayPoint Trust Managers Limited

Accounts to 31st March 2004

Registered Number : 3405168



Directors' Report

For the year ended 31st March 2004

The directors submit their report on the affairs of the company, together with the audited financial statements for the year ended 31 March 2004.

Principal activities and business review

The principal activity of the company in the year under review was that of Trustee to the PayPoint Risk Fund. The fund is set up on behalf of PayPoint clients and is used to provide against bad debt and debt collection costs. The company does not trade and accordingly no profit and loss account has been presented.

From 1st April 2002, PayPoint's clients made no further contributions to the risk fund and the risk fund was wound down with clients paying for bad debts and collection charges as and when they are incurred.

During the year the Trust incurred no costs or received no income.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts 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 accounts comply with 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.

Directors' Report (continued)

Directors and their Interests

The directors who served during the period are as shown below:

| | Appointed | Resigned |
|----------------|------------------|-----------------|
| David Newlands | 22/04/98 | |
| Ian Bull | 22/09/98 | |
| Stephen Bott | 12/07/99 | |
| K Steele | 23/01/02 | |

David Newlands, Stephen Bott, Kim Steele and Ian Bull are all directors of PayPoint Network Limited, the parent company, and their interests are shown in that company's accounts..

Registered Office Address
1 The Boulevard
Shire Park
Welwyn Garden City
Hertfordshire
AL7 1EL

By order of the Board



Mr D Newlands
Director

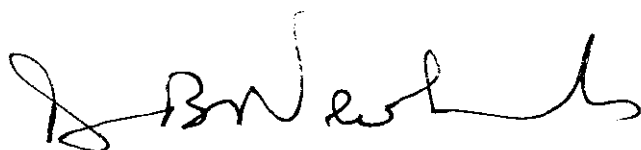
Balance Sheet
31 March 2004

| | Notes | 2004 £ | 2003 £ |
|-------------------------------|-------|-----------|-----------|
| Current Assets | | | |
| Cash at bank and in hand | | <u>2</u> | <u>2</u> |
| Net assets | | <u>2</u> | <u>2</u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Total capital employed | 2 | <u>2</u> | <u>2</u> |

The accompanying notes are an integral part of this balance sheet.

The annual accounts for the year ended 31st March 2004 have not been audited because the company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985, relating to dormant companies, and the members have not required the company to obtain an audit of these accounts in accordance with section 249B(2).

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts, which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that act relating to accounts, so far as applicable to the company.



Mr D Newlands

Director

Notes to accounts
31 March 2004

1. Accounting Policies

A summary of the principal accounting policies all of which have been applied consistently throughout the period, is set out below:

a) **Basis of Accounting**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

b) **Taxation**

Corporation tax payable is provided on taxable profits at the current rate

c) **Cash Flow Statement**

The company has taken advantage of the exemption provided by FRS1 (Revised) not to include a cash flow statement as it is a wholly-owned subsidiary undertaking.

2. Called-up share capital

| | 2004 £ | 2003 £ |
|---|--------------|--------------|
| <i>Authorised</i> | | |
| 1,000 ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |
| <i>Allotted, called-up and fully paid</i> | | |
| 2 ordinary shares of £1 each | <u>2</u> | <u>2</u> |

3. Ultimate parent company

The company is a wholly-owned subsidiary undertaking of PayPoint Network Limited, a company registered in England and Wales.

The company's ultimate parent company is PayPoint Limited whose principal place of business is 1 The Boulevard, Welwyn Garden City, Hertfordshire, AL7 1EL