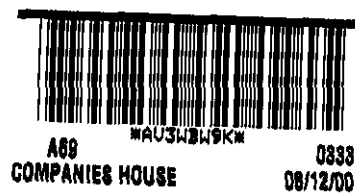


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Report of the Director and
Financial Statements for the Year Ended 28 February 2000
for
KJM Systems Limited



KJM Systems Limited

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for the Year Ended 28 February 2000

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KJM Systems Limited

Company Information
for the Year Ended 28 February 2000

DIRECTOR: D Ross

SECRETARY: Mrs K J Ross

REGISTERED OFFICE: 45 Glebe Crescent
Washington Village
Tyne and Wear
NE38 7AW

REGISTERED NUMBER: 3505899 (England and Wales)

ACCOUNTANT: J M Taylor
Accountant & Business Consultants
Neil Ross Square
39 Bridge Street
Ellon
Aberdeenshire
AB41 9AA

KJM Systems Limited

Report of the Director
for the Year Ended 28 February 2000

The director presents his report with the financial statements of the company for the year ended 28 February 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of systems engineering consulting.

DIRECTOR

D Ross was the sole director during the year under review.

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

	28.2.00	1.3.99
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:



D Ross - DIRECTOR

Dated: 18-11-2000

KJM Systems Limited

Profit and Loss Account
for the Year Ended 28 February 2000

		Year Ended 28.2.00	Period 6.2.98 to 28.2.99
	Notes	£	£
TURNOVER		75,359	55,632
Administrative expenses		<u>27,056</u>	<u>23,806</u>
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	48,303	31,826
Tax on profit on ordinary activities	3	<u>9,681</u>	<u>6,691</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		38,622	25,135
Dividends	4	<u>38,623</u>	<u>25,134</u>
		(1)	1
Retained profit brought forward		<u>1</u>	<u>-</u>
RETAINED PROFIT CARRIED FORWARD		<u>-</u>	<u>£1</u>

The notes form part of these financial statements

KJM Systems Limited

Balance Sheet
28 February 2000

		28.2.00		28.2.99	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		1,662		840
CURRENT ASSETS:					
Debtors	6	2,056		1,579	
Cash at bank		10,067		-	
		<u>12,123</u>		<u>1,579</u>	
CREDITORS: Amounts falling due within one year	7	13,783		2,416	
		<u></u>		<u></u>	
NET CURRENT LIABILITIES:			(1,660)		(837)
TOTAL ASSETS LESS CURRENT LIABILITIES:					
			<u>£2</u>		<u>£3</u>
CAPITAL AND RESERVES:					
Called up share capital	8		2		2
Profit and loss account			-		1
			<u></u>		<u></u>
SHAREHOLDERS' FUNDS:			<u>£2</u>		<u>£3</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 28 February 2000.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) 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 March 2000).

ON BEHALF OF THE BOARD:



D Ross - DIRECTOR

Approved by the Board on 18-11-2000

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 28 February 2000

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 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.

Equipment - 25% on cost

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

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

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 28.2.00 £	Period 6.2.98 to 28.2.99 £
Depreciation - owned assets	648	280
Pension costs	<u>2,640</u>	<u>2,400</u>
Director's emoluments and other benefits etc	<u>11,000</u>	<u>11,917</u>

3. TAXATION

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

	Year Ended 28.2.00 £	Period 6.2.98 to 28.2.99 £
UK corporation tax	<u>9,681</u>	<u>6,691</u>

UK corporation tax has been charged at 20% (1999 - 21%).

4. DIVIDENDS

	Year Ended 28.2.00 £	Period 6.2.98 to 28.2.99 £
Final Dividend	<u>38,623</u>	<u>25,134</u>

Notes to the Financial Statements
for the Year Ended 28 February 2000

5. **TANGIBLE FIXED ASSETS**

	<u>Equipment</u>
	£
COST:	
At 1 March 1999	1,120
Additions	1,470
	<u>2,590</u>
At 28 February 2000	<u>2,590</u>
DEPRECIATION:	
At 1 March 1999	280
Charge for year	648
	<u>928</u>
At 28 February 2000	<u>928</u>
NET BOOK VALUE:	
At 28 February 2000	1,662
	<u>1,662</u>
At 28 February 1999	<u>840</u>

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

	28.2.00	28.2.99
	£	£
Trade Debtors	2,056	1,579
	<u>2,056</u>	<u>1,579</u>

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

	28.2.00	28.2.99
	£	£
Bank loans and overdrafts	-	96
Directors Current Accounts	152	430
Social Security & Other Taxes	3,120	555
Taxation	9,681	407
Accruals	830	928
	<u>13,783</u>	<u>2,416</u>

8. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	28.2.00	28.2.99
			£	£
1,000	Ordinary	1	1,000	1,000
			<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	28.2.00	28.2.99
			£	£
2	Ordinary	1	2	2
			<u>2</u>	<u>2</u>