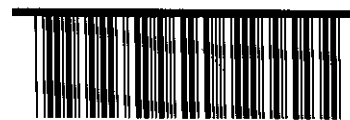


Registered number
3943189

CLEAR SKIES SOFTWARE LIMITED

Abbreviated Accounts

31 March 2001



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COMPANIES HOUSE

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08/01/02

CLEAR SKIES SOFTWARE LIMITED
Independent auditors' Report

Independent auditors' report to CLEAR SKIES SOFTWARE LIMITED
under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the full accounts of the company for the period ended 31st March 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 considered necessary to confirm, by reference to the full accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Walters Shah

WALTERS SHAH
Registered auditors

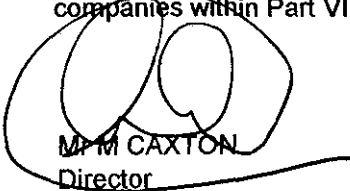
786 London Road
Thornton Heath
Surrey
CR7 6JB

6 December 2001

CLEAR SKIES SOFTWARE LIMITED
Abbreviated Balance Sheet
as at 31 March 2001

| | Notes | 2001 £ |
|---|--------------|-------------------------|
| Fixed assets | | |
| Tangible assets | 2 | 19,558 |
| Current assets | | |
| Debtors | | 105,683 |
| Cash at bank and in hand | | 13,882 |
| | | <u>119,565</u> |
| Creditors: amounts falling due within one year | | (127,036) |
| Net current liabilities | | <u>(7,471)</u> |
| Net assets | | <u>12,087</u> |
| Capital and reserves | | |
| Called up share capital | 3 | 1 |
| Profit and loss account | | 12,086 |
| Shareholders' funds | | <u>12,087</u> |

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.


MPM CAXTON
Director

Approved by the board on 6 December 2001

CLEAR SKIES SOFTWARE LIMITED
Notes to the Abbreviated Accounts
for the period ended 31 March 2001

1 Accounting policies

The accounts 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 the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

| | |
|---------------------|----------------------|
| Plant and machinery | 33% Reducing Balance |
| Motor vehicles | 25% Reducing Balance |

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that a liability to taxation is unlikely to crystallise.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

CLEAR SKIES SOFTWARE LIMITED
Notes to the Abbreviated Accounts
for the period ended 31 March 2001

| | | |
|-------------------------------------|-------------|---------------|
| 2 Tangible fixed assets | | £ |
| Cost | | |
| Additions | | 27,695 |
| At 31 March 2001 | | <u>27,695</u> |
| Depreciation | | |
| Charge for the period | | 8,137 |
| At 31 March 2001 | | <u>8,137</u> |
| Net book value | | |
| At 31 March 2001 | | <u>19,558</u> |
| 3 Share capital | | 2001 |
| | | £ |
| Authorised: | | |
| 1 Ordinary shares of £1 each | | <u>10,000</u> |
| | 2001 | 2001 |
| | No | £ |
| Allotted, called up and fully paid: | | |
| 1 Ordinary shares of £1 each | <u>1</u> | <u>1</u> |