

REFLEX TECH LIMITEDCOMPANY NUMBER 4292075DIRECTORS REPORT

The Director submits his annual Report, together with audited Financial Statements for the year ended 30th September 2005

STATEMENT OF DIRECTORS RESPONSIBILITIES

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

- a Select suitable accounting policies and then apply them consistently
- b Make judgements and estimates that are reasonable and prudent,
- c Prepare the financial statements 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 financial statements 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.

PRINCIPAL ACTIVITY

The principal activity of the company is that of software consultancy and supply

RESULTS FOR THE YEAR

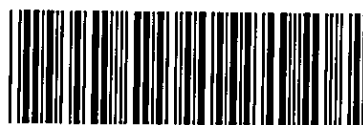
The results for the year, together with the changes in Fixed Assets are set out in the annexed Financial Statements

DIRECTORS

The Directors who served throughout the year and their shareholdings were:-

	<u>30th September 2005</u>	<u>30th September 2004</u>
S Tull	2	1

SATURDAY



AZ0190W3

A46

21/04/2007

629

COMPANIES HOUSE

REFLEX TECH LIMITED

DIRECTORS REPORT (cont'd)

AUDITORS

The Auditors Messrs Bridgen Watkins & Wainwright, Chartered Accountants and Registered Auditors, offer themselves for election under the provisions of the Companies Act 1985

The Directors Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Statement for Smaller Entities (effective June 2002)

BY ORDER OF THE BOARD


S. Full
Director

12th April 2007

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS
OF REFLEX TECH LIMITED

We have audited the financial statements of Reflex Tech Limited for the year ended 30th September 2005 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

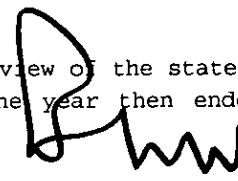
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BRIDGEN WATKINS & WAINWRIGHT
CHARTERED ACCOUNTANTS &
REGISTERED AUDITORS
10 Dashwood Avenue
HIGH WYCOMBE
Bucks HP12 3DN

12th April 2007

REFLEX TECH LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

		<u>2005</u>	<u>2004</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
Turnover	1b/2	1,365,899	1,274,347
Cost of Sales		1,068,499	981,142
		<hr/>	<hr/>
		297,400	293,205
Administration Expenses	3	306,701	276,084
		<hr/>	<hr/>
Operating (Loss)/Profit		(9,301)	17,121
Interest Paid	4	2,112	1,671
		<hr/>	<hr/>
(Loss)/Profit on Ordinary Activities Before Taxation		(11,413)	15,450
Taxation	5	-	3,700
		<hr/>	<hr/>
(Loss)/Profit on Ordinary Activities after Taxation		(11,413)	11,750
Dividend		11,000	12,000
		<hr/>	<hr/>
		(22,413)	(250)
Retained Profit Brought Forward		38,312	38,562
		<hr/>	<hr/>
Retained Profit Carried Forward		£15,899	£38,312
		<hr/>	<hr/>

The Company made no recognised gains or losses in 2005 or 2004 other than the profit for the year

The attached notes form an integral part of these financial statements

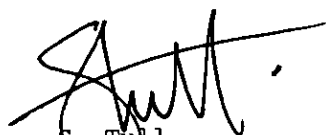
REFLEX TECH LIMITED

BALANCE SHEET
AS AT 30TH SEPTEMBER 2005

	<u>Notes</u>	£	<u>2005</u> £	£	<u>2004</u> £
<u>CURRENT ASSETS</u> receivable within one year					
Work in Progress	1(d)	133,207		110,483	
Debtors	6	259,871		125,097	
Bank Balance		28,350		46,251	
		<u>421,428</u>		<u>281,831</u>	
<u>CREDITORS</u> falling due with one year					
	7	<u>405,527</u>		<u>243,517</u>	
<u>NET CURRENT ASSETS</u>			15,901		38,314
<u>TOTAL ASSETS LESS LIABILITIES</u>			<u>£15,901</u>		<u>£38,314</u>
<u>CAPITAL AND RESERVES</u>					
Share Capital	8		2		2
Profit and Loss Account			<u>15,899</u>		<u>38,312</u>
			<u>£15,901</u>		<u>£38,314</u>

The Financial Statements have been prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for smaller entities (effective June 2002)

The attached notes form an integral part of these financial statements
These financial statements were approved by the Board on 12th April 2007
On Behalf of the Board


S. Tull
Director

NOTES TO THE ACCOUNTS

30TH SEPTEMBER 2005

1 Accounting Policies

a Basis of Accounting

The accounts have been prepared as a going concern under the historical cost convention and in accordance with statements of standard accounting practice and in accordance with the Financial Reporting Standard for smaller entities (effective June 2002) None of the company's activities were acquired or discontinued during the current year

b Cash Flow Statement

The company in complying with the accounting policy FRS1 is exempt from its provisions on the grounds that it falls within the definition of a small company under section 248 as amended in the Companies Act 1985

c Turnover

Turnover represents sales made to customers less value added tax

d Work in Progress

Work in Progress as been valued by the director at the lower of cost and net realisable

e Foreign Currency

Monetary assets and liabilities in foreign currencies are converted into sterling at the rates of exchange ruling at the Balance Sheet date Transactions during the year in foreign currencies are converted into sterling at the rates ruling on the date of the transaction Exchange differences are taken into account in arriving at the operating profit

f Pension Costs

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension schemes charge represents contributions payable by the company to the fund

NOTES TO THE ACCOUNTS (cont'd)2 Turnover

The company has traded in the United Kingdom and foreign countries Sales to each were -

	<u>2005</u>	<u>2004</u>
	£	£
United Kingdom	187,800	499,946
USA	14,631	-
Belgium	38,228	221,212
Denmark	-	101,188
South Africa	-	(1,558)
Netherlands	-	45,227
Czech Republic	217,462	-
Israel	-	4,645
Singapore	52,518	25,538
Austria	628,816	131,355
United Arab Emirates	45,248	79,397
Oman	121,187	-
Germany	(7,400)	82,235
France	-	44,221
Sweden	-	700
Greece	-	6,521
India	-	33,720
Brazil	67,409	-
	<hr/>	<hr/>
	£1,365,899	£1,274,347
	<hr/>	<hr/>

3 Administration Expenses

Administration expenses are stated after charging -

	£	£
Salaries	70,814	106,035
Directors Remuneration	36,000	36,450
Employers National Insurance	12,889	13,781
Pension Costs	6,273	1,530
Property Rents	24,427	14,350
Auditors Remuneration	2,300	1,800
	<hr/>	<hr/>

The number of employees including the Directors during the year was four (2004 three)

4 Interest Paid

	£	£
Bank Interest	2,112	1,671
	<hr/>	<hr/>

REFLEX TECH LIMITED

NOTES TO THE ACCOUNTS (cont'd)

5 Taxation

	<u>2005</u>	<u>2004</u>
	£	£
Corporation Tax		
Current Year	-	3,700

The current year corporation tax has been calculated at the small companies rate of 19% with a reduction for marginal relief, on the adjusted profits for tax purposes after deducting capital allowances

6 Debtors

Amount falling due within one year

	£	£
Trade Debtors	197,065	92,910
VAT	13,639	16,384
Other Debtors	12,018	13,800
Prepayments	16,317	2,003
Inter Company	17,667	-
Corporation Tax	3,165	-
	<u>£259,871</u>	<u>£125,097</u>

7 Creditors payable within one year

	£	£
Bank Overdraft	51,382	5
Trade Creditors	264,693	110,966
Other Creditors	-	3,511
Taxation and Social Security	13,026	14,409
Accruals	76,005	101,636
Corporation Tax	-	12,300
Directors Loan Account	421	690
	<u>£405,527</u>	<u>£243,517</u>

The bank overdraft is secured by a debenture dated 30th October 2003

REFLEX TECH LIMITED

NOTES TO THE ACCOUNTS (cont'd)

8 Share Capital

	<u>2005</u>	<u>2004</u>
	£	£
Authorised		
1,000 Ordinary Shares of £1 each	£1,000	£1,000
	<hr/>	<hr/>
Allotted, Issued and Fully Paid		
2 Ordinary Shares of £1 each	£2	£2
	<hr/>	<hr/>

9 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities as at 30th September 2005 (2004 nil)

10 Other Financial Commitments

Commitments in respect of an operating lease payable in the next year are as follows -

	<u>Due in One Year</u>
Leasehold Property	£28,575

11 Related Parties

The company is controlled by its Director

On 1st October 2003 Mrs J Brown sold her interest in the company to Mr S Tull and resigned as a Director

A Company, Reflextech Inc has been set up in the USA The share capital of 3,000 shares at \$0.01 each is owned by Reflex Tech Ltd

During the year transactions have been carried out with Reflextech Inc at market value and at 30th September 2005 Reflextech Inc owed Reflex Tech Ltd £17,666