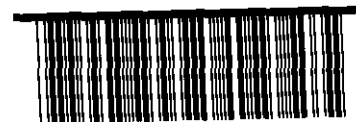


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ESPERUS SOFTWARE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31ST MARCH 2001



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ESPERUS SOFTWARE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

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Aspil & Co
Accountants

122 St Pancras way
London NW1 9NB

ESPERUS SOFTWARE LIMITED
FINANCIAL GENERAL INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2001

COMPANY NO:

02056185

DIRECTORS:

M. Pavlou
T. Pavlou

SECRETARY:

T. Pavlou

REGISTERED OFFICE:

Southgate Office Village
288 Chase Road
Southgate
London N14 6HF

ACCOUNTANTS:

Aspil & Co
122 St Pancras Way
London NW1 9NB

ESPERUS SOFTWARE LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2001

ACCOUNTS

The directors present their report together with the financial statements of the company for the year ended 31st March 2001.

ACTIVITIES

The principal activity of the company is that of development and sale of software packages and computer equipment.

RESULTS

The profit and loss account is set out on page 5.

TRADING RESULTS AND DIVIDENDS

The results for the year and the financial position of the company are as set out in the annexed financial statements. A dividend of £30000 has been voted to the shareholders (2000 £62000).

FIXED ASSETS

Details of fixed assets are set out in note 4 on page 9.

DIRECTORS AND THEIR INTERESTS

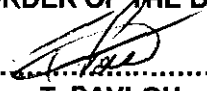
The directors and their interests in the ordinary shares of the company at 31st March 2001 were as follows:

	Ordinary Shares of £1 each	
	2001	2000
M. Pavlou	60	60
T. Pavlou	40	40

TAX STATUS

In the opinion of the directors the company is a close company within the meaning of Section 282 of the Income and Corporation Taxes Act 1970 as subsequently amended.

BY ORDER OF THE BOARD


.....
T. PAVLOU
SECRETARY

DATE 28/10/2001

ESPERUS SOFTWARE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial 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:-

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 financial statements: and

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 discloses with reasonable accuracy at anytime 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.

ACCOUNTANT'S REPORT TO THE SHAREHOLDERS ON
THE UNAUDITED ACCOUNTS OF ESPERUS SOFTWARE LIMITED

A report on the accounts for the year ended 31st March 2001 as set out on pages 5 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS
AND REPORTING ACCOUNTANT

As described on page 3 the director is responsible for the preparation of accounts and he considers that the company is exempt from an audit. It is my responsibility to carry out procedures to enable me to report my opinion to you.

BASIS OF OPINION

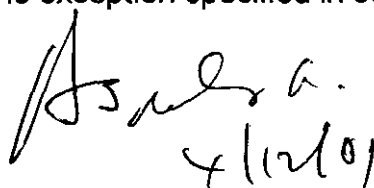
My work was conducted in accordance with the Statement of Standard for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquires of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

OPINION

In my opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.
- (b) having regard only to and on the basis of the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C (6) of the Act and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A (4) of the Act and did not at anytime within that year fall within any of the categories of companies not entitled to the exception specified in section 249B (1).

ASPIL AND CO
ACCOUNTANTS



4/12/01

122 ST PANCRAS WAY
LONDON NW1 9NB

OCTOBER 2001

ESPERUS SOFTWARE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2001

	Notes -----	2001 -----	2000 -----
<u>TURNOVER</u>	1	235129	300813
<u>COST OF SALES</u>		48944 -----	70150 -----
<u>GROSS PROFIT</u>		186185	230663
<u>OTHER INCOME</u>		2 -----	40 -----
		186187	230703
Administrative expenses	159627	179424	
Distribution expenses	5232	6302	
Other operating charges	1150 -----	1609 -----	
		166009 -----	187335 -----
<u>PROFIT</u> on ordinary activities before taxation	2	20178	43368
<u>TAXATION</u>	3	3196 -----	8787 -----
<u>PROFIT</u> on ordinary activities after taxation		16982	34581
<u>DIVIDENDS</u>		30000 -----	62000 -----
		(13018)	(27419)
<u>BALANCE BROUGHT FORWARD</u>		25239 -----	52658 -----
<u>BALANCE CARRIED FORWARD</u>		12221 =====	25239 =====

The notes on pages 8-10 form part of these financial statements.

ESPERUS SOFTWARE LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2001

	Notes -----	2001 -----	2000 -----
<u>FIXED ASSETS</u>			
Tangible assets	4	15552	17169
<u>CURRENT ASSETS</u>			
Debtors and prepayments	5	65191	71004
Cash at bank		8794	682
Cash in hand		81	172
		----- 74066	----- 71858
<u>CREDITORS:</u> Due within one year	6	77297	63688
		-----	-----
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		(3231)	8170
		-----	-----
<u>NET ASSETS</u>		12321 =====	25339 =====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	7	100	100
Profit and loss account		12221	25239
		-----	-----
		12321 =====	25339 =====

The notes on pages 8-10 form part of these financial statements.

ESPERUS SOFTWARE LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2001
(CONTINUED)

The director:

- a) has taken advantage of the exemption conferred by sec. 249A subsection (2) of the Companies Act 1985 in not having the accounts audited.
- b) confirms that no notice has been deposited under subsection (2) of section 249B of Companies Act 1985.
- c) acknowledges his responsibility that the company keeps accounting records which comply with section 221 of Companies Act 1985.
- d) acknowledges his responsibility for preparing accounts which give a true and fair view of the state of affairs of the company as at the period in accordance with the requirement of section 226, and which accounts, so far as applicable to the company.

APPROVED BY THE BOARD

M. PAVLOU



DIRECTOR

DATE.....28/12/2001.....

The notes on pages 8-10 form part of these financial statements.

ESPERUS SOFTWARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts have been prepared under the historical cost convention.

b) Turnover

Turnover represents the amount of goods sold stated net of value added tax.

c) Depreciation

Fixed assets are stated at cost less depreciation. Depreciation is calculated on the reducing balance basis at the rates estimated to write off the assets over their estimated useful lives as follows:

Plant and machinery	25%
---------------------	-----

2. PROFIT/LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

After charging:

	2001	2000
	-----	-----
Audit and accountancy fees	2000	2000
Depreciation	4517	5057
	====	====

3. TAXATION

Corporation tax on the profit for the year.

3196	8787
====	====

ESPERUS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001
(CONTINUED)

4. TANGIBLE FIXED ASSETS

	<u>Lease</u>	<u>Plant and Machinery</u>	<u>Total</u>
	-----	-----	-----
<u>COST</u>			
As at 01.04.00	2000	29177	31177
Cost during the period	-	2900	2900
Disposals	-	-	-
	-----	-----	-----
At the end of the year	2000	32077	34077
	=====	=====	=====
<u>DEPRECIATION</u>			
As at 01.04.00	-	14008	14008
Charge for the year	-	4517	4517
Elimination on disposal	-	-	-
	-----	-----	-----
At the end of the year	-	18525	18525
	=====	=====	=====
<u>NET BOOK VALUE</u>			
At the end of the year	2000	13552	15552
	=====	=====	=====
At the beginning of the year	2000	15169	17169
	=====	=====	=====

5. DEBTORS AND PREPAYMENTS

	<u>2001</u>	<u>2000</u>
	-----	-----
Debtors and prepayments	65191	71004
	-----	-----
	65191	71004
	=====	=====

6. CREDITORS DUE WITHIN ONE YEAR

Trade creditors and accruals	31351	24199
Social security and other taxes	32011	35642
Corporation tax	8983	8787
Directors current account	4952	(4940)
	-----	-----
	77297	63688
	=====	=====

ESPERUS SOFTWARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001
(CONTINUED)

	<u>2001</u>	<u>2000</u>
7. <u>CALLED UP SHARE CAPITAL</u>		
<u>Authorised</u>		
100 ordinary shares of £1 each	100	100
	===	===
<u>Issued and fully paid</u>		
100 ordinary shares of £1 each	100	100
	===	===

8. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The company had no capital commitments or contingent liabilities as at the Balance Sheet date. (2000 Nil).