

Company Registration No. 2147523

Microecho Limited

FINANCIAL STATEMENTS

for the year ended

31 May 2000



Baker Tilly Chartered Accountants
Carlton House, Grammar School Street, Bradford, BD1 4NS

Offices at: Birmingham, Bradford, Bristol, Bromley, Chelmsford, Chester, Crawley, Guildford, London, Manchester, Milton Keynes, Warrington, Watford, Yeovil.
Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales

An independent member of Summit International
Associates, Inc.

Microecho Limited

DIRECTORS AND OFFICERS

DIRECTORS

Professor J D Rhodes CBE, F ENG, FRS.
Dr M A P Armstrong

SECRETARY

P D Convey

COMPANY NUMBER

2147523

REGISTERED OFFICE

Airedale House
Royal London Industrial Estate
Acorn Park
Charlestown
Shipley
West Yorkshire
BD17 7SW

AUDITORS

Baker Tilly
Chartered Accountants
Carlton House
Grammar School Street
Bradford
BD1 4NS

Microecho Limited

DIRECTORS' REPORT

The directors present their report and financial statements of the company for the year ended 31 May 2000.

PRINCIPAL ACTIVITY

The company was dormant throughout the year.

DIRECTORS

The directors of the company during the year were as follows:

Professor J D Rhodes CBE, F ENG, FRS.
Dr M A P Armstrong

No director held shares in the company throughout the year.

The interests of Professor J D Rhodes in the shares of the ultimate holding undertaking, Isotek (Holdings) Limited, are given in that company's financial statements.

The interests of the other director in the shares of Isotek (Holdings) Limited were as follows:

	<i>Ordinary shares of £1 each</i>	
	2000	1999
Dr M A P Armstrong	81,432	81,432
	<u> </u>	<u> </u>

AUDITORS

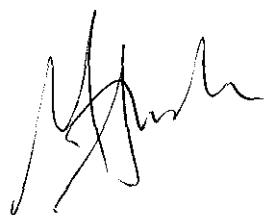
A resolution to re-appoint Baker Tilly as auditors will be put to the members at the Annual General Meeting.

By order of the Board

Dr M A P Armstrong

Director

28/11/2000



Microecho Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires 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 year. In preparing those financial statements, 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.

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 requirements of 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.

AUDITORS' REPORT TO THE MEMBERS OF MICROECHO LIMITED

We have audited the financial statements on pages 5 to 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures of the financial statements. It also includes an assessment of the significant estimates and judgements 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 at 31 May 2000 and have been properly prepared in accordance with the Companies Act 1985.

BAKER TILLY .



Registered Auditor
Chartered Accountants
Carlton House
Grammar School Street
Bradford
BD1 4NS

11 December 2000

Microecho Limited

BALANCE SHEET

31 May 2000

	Notes	2000 £	1999 £
CURRENT ASSETS			
Debtors	1	2,447	2,447
CREDITORS: Amounts falling due within one year	2	36	36
NET CURRENT ASSETS		2,411	2,411
CAPITAL AND RESERVES			
Called up share capital	3	2	2
Profit and loss account	4	2,409	2,409
		2,411	2,411

These financial statements were approved by the Board of directors on

28/11/2000



Professor J D Rhodes CBE, F ENG, FRS.

Microecho Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

Microecho Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2000

1	DEBTORS	2000 £	1999 £
	Due from fellow subsidiary company	2,447	2,447
2	CREDITORS: Amounts falling due within one year	2000 £	1999 £
	Other creditors	36	36
3	CALLED UP SHARE CAPITAL	2000 £	1999 £
	Authorised 1,000 ordinary shares of £1 each	1,000	1,000
	Allotted, called up and fully paid 2 ordinary share of £1 each	2	2
4	PROFIT AND LOSS ACCOUNT	2000 £	1999 £
	Balance at 1 June 1999 and 31 May 2000	2,409	2,409
5	ULTIMATE PARENT UNDERTAKING		
	The ultimate parent undertaking is Isotek (Holdings) Limited, a company incorporated in Great Britain. The directors consider that by virtue of his shareholding in Isotek (Holdings) Limited, Professor J D Rhodes is the controlling party of the company.		