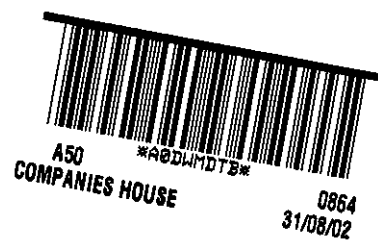


INCLARITY PLC

Company No. 2673204

**DIRECTORS' REPORT &
FINANCIAL STATEMENTS**

For the year ended 31 March 2002



INCLARITY PLC

COMPANY INFORMATION

Directors

A Besorai
C Neoh
J Costley
E Roman

Secretary

A Besorai

Company Number

2673204 (England and Wales)

Registered office

Inclarity House
607 High Road
London
N12 0DZ

Auditors

Parker Cavendish
28 Church Road
Stanmore
Middlesex
HA7 4XR

INCLARITY PLC
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

Contents	Page
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Consolidated profit and loss account	4
Statement of total recognised gains and losses	5
Consolidated balance sheet	6
Balance sheet	7
Consolidated cash flow statement	8
Notes to the financial statements	9 - 17

INCLARITY PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2002

The directors present their report and the financial statements for the year ended 31 March 2002.

Principal activities and business review

The principal activity of the company and the group continues to be the provision of telecommunication services.

The directors are pleased with the increase in the group's turnover during the year and anticipate that the forthcoming year will show a continuing improvement in performance.

The profit and loss account is set out on page 4 and shows the results for the year.

Future developments

The group continues to seek and develop new areas in all fields of telecommunication services.

Directors

The directors in office during the year and their interest in the company's issued share capital were as follows:

	Ordinary £1 shares	
	31 March 2002	1 April 2001
C Neoh	-	-
A Besorai	-	-
J Costley	13,800	13,800
E Roman	-	-

C Neoh holds share options over 20,587 ordinary shares in the company, exercisable within 4 years from 1 June 1999 at £3 per share.

Supplier payment policy

The group does not follow a specified code or standard on payment practice but endeavours to ensure that all payments are made within mutually agreed credit terms.

Auditors

The auditors, Parker Cavendish, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985 at the annual general meeting.

Approved by the Board of Directors on 26 July 2002 and signed on its behalf by



A Besorai
Director

INCLARITY PLC

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 year. 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 departure 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 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.

INCLARITY PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF INCLARITY PLC

We have audited the financial statements of Inclarity plc, set out on pages 4 to 17, for the year ended 31 March 2002. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the directors are responsible for the preparation of the 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 and other members of the group is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements 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 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 group's and the company's affairs as at 31 March 2002 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Parker Cavendish
Chartered Accountants
& Registered Auditor

26 July 2002

28 Church Road
Stanmore
Middlesex
HA7 4XR

INCLARITY PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover	2	8,208,389	3,474,349
Cost of sales		(6,517,763)	(2,015,033)
		<hr/>	<hr/>
Gross profit		1,690,626	1,459,316
Administrative expenses		(2,130,533)	(2,192,377)
		<hr/>	<hr/>
Operating loss	4	(439,907)	(733,061)
Share of operating loss in associate		(16,098)	(34,186)
		<hr/>	<hr/>
		(456,005)	(767,247)
Interest receivable and similar income		4,095	15,949
Interest payable and similar charges	5	(73,707)	(66,658)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(525,617)	(817,956)
Taxation	6	-	7,260
		<hr/>	<hr/>
Loss on ordinary activities after taxation	15	(525,617)	(810,696)
		<hr/>	<hr/>

The results for both of the above financial years relate to continuing operations.

The notes on pages 9 to 17 form part of these financial statements.

INCLARITY PLC**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE YEAR ENDED 31 MARCH 2002**

The group has no other recognised gains or losses for 2002 or 2001 apart from the results shown in the profit and loss account.

	2002 £	2001 £
Note of historical cost profits and losses		
Reported loss on ordinary activities before taxation	(525,617)	(817,956)
Difference between a historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	4,381	4,850
	<hr/>	<hr/>
Historical cost loss on ordinary activities before taxation	(521,236)	(813,106)
	<hr/>	<hr/>
Historical cost loss retained after taxation	(521,236)	(805,846)
	<hr/>	<hr/>

The notes on pages 9 to 17 form part of these financial statements.

INCLARITY PLC

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	7		16,124		16,124
Tangible assets	8		1,662,230		1,887,646
			<u>1,678,354</u>		<u>1,903,770</u>
Current assets					
Debtors	10	2,355,003		1,516,503	
Cash at bank and in hand		853,751		897,700	
		<u>3,208,754</u>		<u>2,414,203</u>	
Creditors: Amounts falling due within one year	11	(3,822,208)		(2,448,503)	
		<u>(613,454)</u>		<u>(34,300)</u>	
Net current liabilities					
			(613,454)		(34,300)
Total assets less current liabilities			<u>1,064,900</u>		<u>1,869,470</u>
Creditors: Amounts falling due after more than one year	12		(133,379)		(428,430)
			<u>931,521</u>		<u>1,441,040</u>
Share of net liabilities in associate	13		(165,417)		(149,319)
			<u>766,104</u>		<u>1,291,721</u>
Net assets					
			<u>766,104</u>		<u>1,291,721</u>
Capital and reserves					
Called up share capital	14		1,155,267		1,155,267
Share premium	15		1,655,396		1,655,396
Revaluation reserve	15		217,314		221,695
Profit and loss account	15		(2,261,873)		(1,740,637)
			<u>766,104</u>		<u>1,291,721</u>
Equity shareholders' funds	16		<u>766,104</u>		<u>1,291,721</u>

The financial statements were approved by the Board of Directors on 26 July 2002 and signed on its behalf by:


A Basorai
Director

The notes on pages 9 to 17 form part of these financial statements.

INCLARITY PLC

BALANCE SHEET AT 31 MARCH 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Intangible assets	7		16,124		16,124
Tangible assets	8		1,662,230		1,887,646
Investments	9		504		503
			<hr/>		<hr/>
			1,678,858		1,904,273
 Current assets					
Debtors	10	2,355,003		1,516,503	
Cash at bank and in hand		853,747		897,697	
		<hr/>		<hr/>	
			3,208,750		2,414,200
 Creditors: Amounts falling due within one year	11	(3,822,208)		(2,448,503)	
		<hr/>		<hr/>	
Net current liabilities			(613,458)		(34,303)
			<hr/>		<hr/>
Total assets less current liabilities			1,065,400		1,869,970
 Creditors: Amounts falling due after more than one year	12	(133,379)		(428,430)	
		<hr/>		<hr/>	
Net assets			932,021		1,441,540
			<hr/>		<hr/>
 Capital and reserves					
Called up share capital	14		1,155,267		1,155,267
Share premium	15		1,655,396		1,655,396
Revaluation reserve	15		217,314		221,695
Profit and loss account	15		(2,095,956)		(1,590,818)
			<hr/>		<hr/>
Equity shareholders' funds	16		932,021		1,441,540
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors on 26 July 2002 and signed on its behalf by:


A Besorai
Director

The notes on pages 9 to 17 form part of these financial statements.

INCLARITY PLC

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net Cash inflow/(outflow) from operations			
Operating loss		(439,907)	(733,061)
Depreciation and amortisation		334,520	336,545
Loss on disposal of assets		1,163	-
(Increase) in debtors		(838,500)	(615,309)
Increase in creditors		1,432,437	793,459
		<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities		489,713	(218,366)
		<hr/>	<hr/>
Cash flow statement			
Net cash inflow/(outflow) from operating activities		489,713	(218,366)
Return on investment and servicing of finance	17	(69,612)	(50,709)
Taxation		-	7,260
Capital expenditure and financial investment	17	(110,266)	(144,305)
		<hr/>	<hr/>
		309,835	(406,120)
Financing	17	(298,602)	1,272,423
		<hr/>	<hr/>
Increase in cash		11,233	866,303
		<hr/>	<hr/>
Reconciliation of net cash flow to movement in net funds (note 18)			
Increase in cash		11,233	866,303
Cash outflow from decrease in loans		10,946	10,280
New hire purchase and lease agreements		-	(515,116)
Cash paid in repaying hire purchase and lease agreements		287,656	179,906
		<hr/>	<hr/>
Change in net funds resulting from cash flows		309,835	541,373
Net funds/(debt) at 1 April 2001		133,395	(407,978)
		<hr/>	<hr/>
Net funds at 31 March 2002		443,230	133,395
		<hr/>	<hr/>

The notes on pages 9 to 17 form part of these financial statements.

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold land and buildings, and in accordance with applicable accounting standards.

The consolidated financial statements include the results of the company and its subsidiary undertakings. The consolidated profit and loss account includes the group's share of profits or losses of associated undertakings and the consolidated balance sheet includes the group's interest in associated undertakings at the book value of attributable net assets or liabilities.

In accordance with the exemptions allowed by Section 230 of the Companies Act 1985, the company has not presented its own profit and loss account.

1.2 Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax and trade discounts. In respect of pre-paid telephone cards, income is recognised at the point of sale.

1.3 Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land, evenly over their expected useful lives, as follows:-

Freehold buildings	2% per annum
Plant, machinery, fixtures & fittings	25% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historic cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss account.

1.4 Licenses and trademarks

These are stated at cost.

1.5 Investments

Listed investments are stated at market value and any surplus or deficit arising on the revaluation of the investments is transferred to a profit and loss reserve. Any permanent diminutions in value are charged to the profit and loss account. Investments in associate undertakings are stated at cost.

1.6 Leasing and hire purchase contracts

Where assets are financed by leasing arrangements that give rights approximating to ownership ('finance leases') the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account. Lease payments are analysed between capital and interest components so that the interest element of the payment 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. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases and their annual rentals are charged to the profit and loss account as incurred.

1.7 Deferred taxation

Provision is made for taxation deferred in respect of all material timing differences to the extent that, in the opinion of the directors, there is reasonable probability that the liability will arise in the foreseeable future.

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of transactions. All differences are taken to the profit and loss account.

1.9 Invoice discounting

Invoices discounted are shown under the separate presentation method.

2. TURNOVER

In the opinion of the directors, as the company operates in the provision of global telecommunication services, a split of the turnover by geographical markets would not be meaningful.

3. STAFF COSTS

	2002 £	2001 £
Staff costs (including directors' remuneration) were:		
Wages and salaries	994,515	760,388
Social security costs	102,018	78,141
	<hr/>	<hr/>
	1,096,533	838,529
	<hr/>	<hr/>
Directors emoluments	80,000	50,000
	<hr/>	<hr/>

During the year, the company paid £46,675 to Fabius Limited for providing the services of J Costley, and £6,340 to C Neoh, as directors of the company.

The average monthly number of employees (including directors) during the year was as follows:

Administration	10	10
Sales	4	4
Operations	18	19
	<hr/>	<hr/>
	32	33
	<hr/>	<hr/>

4. OPERATING LOSS

This has been arrived at after charging:

Depreciation on tangible fixed assets	334,520	336,545
Auditors' remuneration	5,801	15,693
Operating lease rental – other	37,500	24,716
	<hr/>	<hr/>

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

5. INTEREST PAYABLE AND SIMILAR CHARGES	2002 £	2001 £
Bank loans	5,038	8,334
Finance leases	49,890	54,888
Other interest	250	3,436
Invoice financing	18,529	-
	<u>73,707</u>	<u>66,658</u>
6. TAXATION		
Adjustment in respect of prior years	-	(7,260)
	<u>-</u>	<u>(7,260)</u>
7. INTANGIBLE FIXED ASSETS		Licenses & Trademarks £
Cost		
At 1 April 2001 and 31 March 2002		16,124
		<u>16,124</u>

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

8. TANGIBLE ASSETS

	Freehold land, buildings & improvements £	Motor vehicles £	Plant, machinery, fixtures & fittings £	Total £
Cost				
At 1 April 2001	500,000	69,200	1,928,551	2,497,751
Additions	-	-	132,416	132,416
Disposals	-	(39,000)	-	(39,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2002	500,000	30,200	2,060,967	2,591,167
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1st April 2001	20,191	16,432	573,481	610,104
Charge for the period	9,510	10,774	314,236	334,520
On disposals	-	(15,687)	-	(15,687)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2002	29,701	11,519	887,717	928,937
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2002	470,299	18,681	1,173,250	1,662,230
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2001	479,808	2,768	1,355,070	1,887,646
	<hr/>	<hr/>	<hr/>	<hr/>

The historical cost net book value of freehold buildings is:

	2002 £	2001 £
Cost	280,937	280,937
Accumulated depreciation	(27,952)	(22,823)
	<hr/>	<hr/>
Historical cost net book value	252,985	258,114
	<hr/>	<hr/>

The freehold property was revalued on 4th October 1999 by Lewis Doyle, Chartered Surveyors, on an existing use, open market value basis.

The net book value of tangible fixed assets includes an amount of £459,891 (2001: £673,705) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge for the year amounted to £152,589 (2001: £151,072).

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

9. INVESTMENTS

	Associate Undertaking £	Subsidiary Undertakings £	Total £
Cost/market value			
At 1 April 2001	500	3	503
Additions	-	1	1
	<hr/>	<hr/>	<hr/>
Cost at 31 March 2002	500	4	504
	<hr/>	<hr/>	<hr/>

One new wholly owned subsidiary undertaking was incorporated during the year. The subsidiary companies are Hitoori Limited, Hitoori.com Limited, ABS2net Limited and ABS Telecom Limited. All of the subsidiary undertakings are dormant and registered in England. See Note 13 for details of the associated undertaking.

10. DEBTORS

	2002 £	2001 £
Trade debtors	2,137,740	1,313,087
Prepayments and accrued income	100,047	112,433
Other debtors	117,216	90,983
	<hr/>	<hr/>
	2,355,003	1,516,503
	<hr/>	<hr/>

Trade debtors include an amount of £743,073 assigned as security to a third party under an invoice discounting facility and against which £569,162 had been advanced to the group at the year end (see note 11).

Included in other debtors is a loan of £90,983 (2001: £90,983) to Tel 2000 Limited, a company in which Inclarity plc holds a 50% stake.

11. CREDITORS: Amounts falling due within one year

Bank overdraft	-	55,182
Bank loan (secured - see note 12)	13,000	10,000
Payments received on account	767,348	-
Trade creditors	1,700,497	1,798,215
Taxation and social security	312,742	143,108
Obligations under hire purchase and finance lease (secured)	264,142	270,693
Other creditors	126,657	125,525
Factor advances (see note 10)	569,162	-
Accruals	68,660	45,780
	<hr/>	<hr/>
	3,822,208	2,448,503
	<hr/>	<hr/>

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

12. CREDITORS: Amounts falling due after more than one year	2002 £	2001 £
Bank loan (secured)	41,284	55,230
Obligations under finance leases and hire purchase (payable between one and five years)	92,095	373,200
	<hr/>	<hr/>
	133,379	428,430
	<hr/>	<hr/>
The bank loan falls due for repayment as follows:		
Within one year	13,000	10,000
Between one year and two years	13,000	10,000
Between two years and five years	28,284	20,000
After more than five years	-	15,230
	<hr/>	<hr/>
	54,284	55,230
	<hr/>	<hr/>

The banks loans and overdraft are secured by a fixed and floating charge over the company's assets and are repayable on demand. Interest on the balance is charged at 2% above base rate. The finance leases and hire purchase contracts are secured on the assets concerned.

13. INTEREST IN ASSOCIATED UNDERTAKING

The company holds 50% of the ordinary share capital of Tel 2000, a company that provides telecommunication services and which is registered in England.

The company's share of the associate's net liabilities is analysed as follows:

Share of turnover	233,238	292,717
	<hr/>	<hr/>
Share of assets		
Fixed assets	3,618	4,630
Current assets	42,708	81,595
	<hr/>	<hr/>
	46,326	86,225
Share of liabilities due within one year	(211,743)	(235,544)
	<hr/>	<hr/>
Share of net liabilities	(165,417)	(149,319)
	<hr/>	<hr/>

During the year, the company invoiced for service charges of £29,624 (2001: £29,663) and telephone services of £338,410 (2001: £415,662) to Tel 2000 Limited. At 31 March 2002, the balance due from Tel 2000 Limited was £239,292 (2001: £257,069). The services were provided on normal commercial trading terms.

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

14. SHARE CAPITAL	2002 £	2001 £
Authorised		
Ordinary shares of £1 each	5,000,000	5,000,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	1,155,267	1,155,267

At 31 March 2002, the total number of ordinary shares over which the company had granted share options was 91,669 shares. The options are exercisable over varying periods, with the latest exercisable date of any option being 1 June 2004. The exercise price payable by the option holders is in the range of £3 to £7.25 per share.

15. CAPITAL & RESERVES	Revaluation reserve £	Share premium account £	Group profit & loss account £	Company profit & loss account £
At 1 April 2001	221,695	1,655,396	(1,740,637)	(1,590,818)
Loss for the period	-	-	(525,617)	(509,519)
Transfer of depreciation	(4,381)	-	4,381	4,381
At 31 March 2002	217,314	1,655,396	(2,261,873)	(2,095,956)

16. EQUITY SHAREHOLDERS' FUNDS

	Group 2002 £	Group 2001 £	Company 2002 £	Company 2001 £
Loss for the year	(525,617)	(810,696)	(509,519)	(776,510)
New share capital subscribed	-	947,493	-	947,493
Net addition to shareholders' funds	(525,617)	136,797	(509,519)	170,983
Opening shareholders' funds	1,291,721	1,154,924	1,441,540	1,270,557
Closing shareholders' funds	766,104	1,291,721	932,021	1,441,540

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

17. GROSS CASH FLOWS

	2002 £	2001 £
Return on investment and servicing of finance		
Interest received	4,095	15,949
Interest paid	(73,707)	(66,658)
	<u>(69,612)</u>	<u>(50,709)</u>
Capital expenditure and financial investment		
Purchase of fixed assets	(132,416)	(829,889)
Sale of tangible fixed assets	22,150	-
Sale of investments	-	685,584
	<u>(110,266)</u>	<u>(144,305)</u>
Financing		
Repayment of bank loan	(10,946)	(10,280)
Finance Leases	-	515,116
Repayment of finance leases	(287,656)	(179,906)
Issue of shares	-	947,493
	<u>(298,602)</u>	<u>1,272,423</u>

18. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2001 £	Cashflows £	Other changes £	At 31 March 2002 £
Cash at bank and in hand	897,700	(43,949)	-	853,751
Bank overdraft	(55,182)	55,182	-	-
	<u>842,518</u>	<u>11,233</u>	<u>-</u>	<u>853,751</u>
Loans due within one year	(10,000)	10,000	(13,000)	(13,000)
Loans due after more than one year	(55,230)	946	13,000	(41,284)
Hire purchase	(643,893)	287,656	-	(356,237)
	<u>133,395</u>	<u>309,835</u>	<u>-</u>	<u>443,230</u>

INCLARITY PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

19. ULTIMATE CONTROLLER

The company is not controlled by any single individual or entity.

20. LEASING COMMITMENTS

At 31 March 2002, the company had the following annual commitments under non-cancellable operating leases in respect of land and building as follows:

	2002	2001
	£	£
Expiry date:		
More than 5 years	37,500	37,500
	<u> </u>	<u> </u>