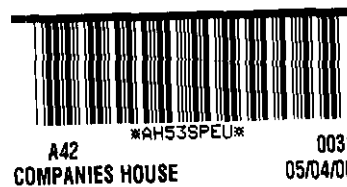


**Aces (Adams Computer and
Electronic Services) Limited**

Report and Financial Statements

Year ended 31 March 1999

Company no. 03172886



ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

Annual report and financial statements for the year ended 31 March 1999

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Directors

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Directors

J Adams
M Adams

Secretary and registered office

M Adams
Prospect Place
85 Great North Road
Hatfield
Herts
AL9 5BS

Company number

03172886

Accountants

BDO Stoy Hayward
Prospect Place
85 Great North Road
Hatfield
Herts
AL9 5BS

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

Report of the directors for the year ended 31 March 1999

The directors present their report together with the financial statements for the year ended 31 March 1999.

Results

The profit and loss account is set out on page 3 and shows the result for the year.

Principal activities and trading review.

The principal activity of the company continued to be that of computer and electronic design consultants.

Directors

The directors of the company during the period and their interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	31 March 1999	31 March 1998

J Adams	1	1
M Adams	1	1

By order of the Board



J. ADAMS

Date: 27-3-00

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

**Accountants' Report to the Directors on the
Unaudited Accounts of Aces (Adams Computer and Electronic Services) Limited**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 1999, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

BDO Stoy Hayward

BDO Stoy Hayward

Chartered Accountants

Hatfield

Date: *30 March 2000*

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED**Profit and loss account for the year ended 31 March 1999**

	Note	1999 £	1998 £
Turnover	1	6,905	13,490
Cost of sales		6,717	9,719
		<hr/>	<hr/>
Gross profit		188	3,771
Administrative expenses		4,565	4,560
		<hr/>	<hr/>
Operating loss being loss on ordinary activity before taxation	2	(4,377)	(789)
Taxation	3	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(4,377)	(789)
Retained loss brought forward		(1,164)	(275)
		<hr/>	<hr/>
Retained loss carried forward		(5,541)	(1,064)
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 5 to 7 form part of these financial statements.

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

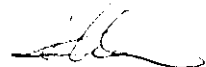
Balance sheet at 31 March 1999

	Note	1999	1998
		£	£
Fixed assets			
Tangible assets	4	233	290
Current assets			
Stocks	5	4,520	6,266
Debtors	6	195	567
Cash at bank and in hand		4,935	2,002
		<u>9,650</u>	<u>8,835</u>
Creditors: amounts falling due within one year	7	<u>15,422</u>	<u>10,187</u>
Net current liabilities		(5,772)	(1,352)
Net liabilities		<u>(5,539)</u>	<u>(1,062)</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		(5,541)	(1,064)
Equity shareholders' funds		<u>(5,539)</u>	<u>(1,062)</u>

The directors have taken advantage of the exemption conferred by S.249A(1) not to have these financial statements audited and confirm that no notice has been deposited under S.249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with S.221 of the Companies Act 1985; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 1999 and of its loss for the year then ended in accordance with the requirement of S.226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on 27-3-1999



Director

Notes forming part of the financial statements for the year ended 31 March 1999

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Plant & machinery - 20% Reducing balance

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

	1999	1998
	£	£
2 Operating profit		
This is arrived at after charging		
Depreciation	57	72
	<u> </u>	<u> </u>
3 Taxation		
UK corporation tax	-	-
	<u> </u>	<u> </u>

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

Notes forming part of the financial statements for the year ended 31 March 1999 *(Continued)*

4 Tangible assets

	Plant and machinery
	£
Cost	
As at 1 April 1998 and at 31 March 1999	450
Depreciation	
At 1 April 1998	160
Charge for the year	57
At 31 March 1999	217
Net book value	
At 31 March 1999	233
At 31 March 1998	290

5 Stocks & Work in Progress

	1999 £	1998 £
Stocks & Work in Progress	4,520	6,266

6 Debtors

Trade debtors	195	-
Other debtors	-	567
	195	567

7 Creditors: amounts falling due within one year

Trade creditors	112	158
Other creditors	14,710	9,479
Accruals	600	550
	15,422	10,187

ACES (ADAMS COMPUTER AND ELECTRONIC SERVICES) LIMITED

Notes forming part of the financial statements for the year ended 31 March 1999 *(Continued)*

8 Share capital

	Authorised		Allotted, called up and fully paid	
	1999	1998	1999	1998
	£	£	£	£
Ordinary shares of £1 each	2	2	100	100
	<u>2</u>	<u>2</u>	<u>100</u>	<u>100</u>

9 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as the directors believe the company is a small entity as defined under sections 246 and 247 of the Companies Act 1985.