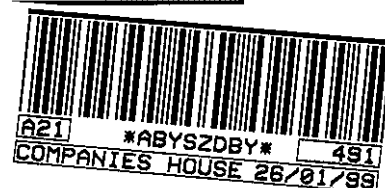


SYNCHRONOUS TECHNOLOGIES LIMITED.
STATEMENT OF ACCOUNTS
PERIOD ENDED 31S MARCH 1998

COMPANY NO
3340267

BBK ACCOUNTANTS LIMITED
ACCOUNTANTS & REGISTERED AUDITORS
4A ROMAN ROAD,
EAST HAM,
LONDON. E6 3RX.

0171 473 4344



SYNCHRONOUS TECHNOLOGIES LIMITED

**ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 1998**

Directors

R. Goodwins
M. J. Rix

Secretary

R. Goodwins

Head Office

98 Crofton Road
Plaistow
London.
E13 8QS

Registered Office

98 Crofton Road
Plaistow
London.
E13 8QS

Company Number

3340267

Accountants

BBK Accountants Limited
4a Roman Road
East Ham
London E6 3RX

Bankers

Lloyds Bank Plc

SYNCHRONOUS TECHNOLOGIES LIMITED
ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 1998

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SYNCHRONOUS TECHNOLOGIES LIMITED
REPORT OF THE DIRECTOR
FOR THE PERIOD ENDED 31ST MARCH 1998

The directors present herewith their report together with the unaudited accounts of the company for the period ended 31st March 1998.

Principal Activities

The principal activity of the company is computer consultancy.

Review of the Business

The directors consider the state of affairs to be satisfactory.
 No major developments are envisaged for the ensuing period.

Results and Dividends

The results for the year together with a statement of retained earnings are set out in the profit and loss account on page 4.
 No dividend paid for the period ended 31st March 1998 and does not recommend any dividend for the period.

Fixed Assets

Changes in the fixed assets are set out in note 5 on page 7.

Directors and their interest

The name of the directors who have held office during the period and their interest in shares of the company both at the beginning and the end of the year is as follows:-

Ordinary shares of £1 each

R. Goodwins	1
M. J. Rix	1

CONT.....

SYNCHRONOUS TECHNOLOGIES LIMITED**REPORT OF THE DIRECTOR (CONTINUED)****STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES****FOR THE PERIOD ENDED 31ST MARCH 1998**

The directors confirm that under The Companies Act 1985 (Audit Exemptions) Regulations 1994, the following:-

That for the year in question the Company was entitled to total audit exemption. No notice has been deposited at the registered office requesting an audit. The Company's turnover was less than £350,000.


The directors acknowledge their responsibility under Company Law requiring them 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 and loss of the Company for the period. In preparing those financial statements, the Directors are required to:-

- * select suitable policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * 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 of fraud and other irregularities.

By Order of The Board



R. Goodwins
(Secretary)

Dated: 25th / 11.

SYNCHRONOUS TECHNOLOGIES LIMITED

**PROFIT AND LOSS ACCOUNT AND STATEMENT OF RETAINED
EARNINGS FOR THE PERIOD ENDED 31ST MARCH 1998**

	Notes	1998
Turnover	1c	23750
Cost of Sales		181
Gross Profit		<u>23569</u>
Administrative Expenses		<u>19476</u>
Operating Profit	2	4093
Other Operating Income		0
Other Operating Charges		<u>7</u>
Profit on Ordinary Activities before Taxation		4086
Tax due on Ordinary Activities	4	<u>860</u>
Profit on Ordinary Activities after Taxation		3226
Dividend Paid		<u>0</u>
Profit Transferred to Reserves		<u><u>3226</u></u>
Statement of Retained Earnings		
Profit and Loss Account B/Fwd		0
Profit for the period		<u>3226</u>
		<u><u>3226</u></u>

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

The Notes on pages 6 to 8 form part of these Accounts.

SYNCHRONOUS TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 1998

	Notes	1998
FIXED ASSETS		
Tangible Assets	5	633
CURRENT ASSETS		
Debtors	6	11163
Cash at Bank and in Hand		<u>53</u>
		11216
CREDITORS: DUE WITHIN ONE YEAR	7	<u>2764</u>
NET CURRENT ASSETS		<u>8452</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9085
CREDITORS: DUE AFTER ONE YEAR	8	<u>5857</u>
		<u><u>3228</u></u>
CAPITAL AND RESERVES		
Share Capital	9	2
Profit and Loss Account		<u>3226</u>
		<u><u>3228</u></u>

CONT...

SYNCHRONOUS TECHNOLOGIES LIMITED
BALANCE SHEET (CONT...)
AS AT 31ST MARCH 1998

The directors confirm that under The Companies Act 1985 (Audit Exemptions) Regulations 1994, the following:-

That for the period ended 31st March 1998 the Company was entitled to audit exemption under S249A(1) (total exemption).

No notice has been deposited at the registered office under S249B(2) requesting an audit. The Company's turnover was less than £350,000.

The directors acknowledge their responsibilities for:

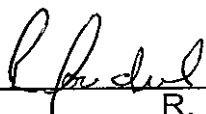
- I.) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985;
- II.) preparing accounts for each financial year which give a true and fair view of the state of affairs of the company and of its profit and loss account for the period in accordance with the requirements of S226 and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts.

In preparing these financial statements, the directors have:-

- * selected suitable policies and then applied them consistently;
- * made judgements and estimates that are reasonable and prudent;
- * prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Company will not continue in business.

They are also aware of her responsibility for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

By Order of The Board



R. Goodwins
(Director)

Dated: 25th / 33

M. J. Rix
(Director)

The notes on pages 6 to 8 form part of these Accounts.

SYNCHRONOUS TECHNOLOGIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 1998

6

1. Accounting Policies

a) Presentation of Accounts

The Accounts for the period ended 31st March 1998 are presented to comply with the format and disclosure requirements of the Companies Act 1985.

b) Accounting Convention

The accounts have been prepared under the historical cost basis.
The company has taken advantage of the exemption in FRS 1 not to prepare a Cash Flow Statement on the grounds that it is a small company.

c) Turnover

Turnover represents invoice value net of Value Added Tax.

d) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of the asset over its useful life as follows:-

Office Equipment	25% Reducing Balance
------------------	----------------------

e) Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the Director there is reasonable probability that the liabilities will not arise in the foreseeable future.

2. Operating Profit

1998

The operating profit for the year is stated after charging:-

Depreciation

212

Accountancy

600

SYNCHRONOUS TECHNOLOGIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 1998

1998

3. Staff Costs (including directors)

Salaries & NI	<u>11735</u>
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The average weekly number of employees during the period as follows:-

Office Management	<u>2</u>
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4. Taxation

Corporation tax	<u>860</u>
-----------------	------------

5. Tangible Fixed Assets

Office Equipment	Total
---------------------	-------

Cost

Addition for the period	845	845
Disposal for the period	0	0
At 31st March 1998	<u>845</u>	<u>845</u>

Depreciation

Provided for this Period	212	212
At 31st March 1998	<u>212</u>	<u>212</u>

Net Book Value

At 31st March 1998	<u>633</u>	<u>633</u>
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1998

6. Debtors

Trade & Sundry Debtors	<u>11163</u>
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SYNCHRONOUS TECHNOLOGIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST MARCH 1998

7. Creditors - Amounts Falling Due within One year **1998**

Corporation Tax Payable	860
Accruals	450
VAT Control A/C	961
Paye & NI	464
Salary Control A/C	29
	<u>2764</u>

8. Creditors - Amounts Falling Due After One Year

Director's Current Account	<u>5857</u>
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9. Called Up Share Capital

Authorised	1000 Ordinary Shares of £1 Each	1000
Allotted & Fully Paid	2 Ordinary Shares of £1 Each	<u>2</u>