

LOGICAL SOUTH AMERICA LIMITED
(formerly Doorforth Limited)

Report and Financial Statements

Period from 18 February 2002 to 28 February 2003



REPORT AND FINANCIAL STATEMENTS 2003

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REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Instant Companies Limited	(resigned 1 March 2002)
N V Drakeford-Lewis	(appointed 1 March 2002)
J P Montanana	(appointed 11 November 2002)
S F Lawrence	(appointed 1 March 2002, resigned 29 October 2002)

SECRETARY

S P Morris

REGISTERED OFFICE

110 Buckingham Avenue
Slough
Berkshire
SL1 4PF

BANKERS

Barclays Bank PLC
PO Box 2481
Napier Court
Napier Road
Reading
RG1 8FD

SOLICITORS

Bowman Gilfillan
35 John Street
London
WC1N 2AT

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Reading

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period from incorporation on 18 February 2002 to 28 February 2003.

ACTIVITIES

The principal activity of the company in the year under review was that of an intermediate holding company.

REVIEW OF DEVELOPMENTS

The company was incorporated as Doorforth Limited on 18 February 2002. It changed its name to Logical South America Limited on 8 April 2002.

On 22 June 2002, the Company acquired the entire share capital of two IT network solutions companies in South America: Softnet Logical Comercial Importadora, Exportadora e de Serviços Ltda, incorporated in Brazil; and Softnet Logical Paraguay SA, incorporated in Paraguay. In consideration for these acquisitions the Company issued 25 shares of £1 each, being 25% of its share capital, to the vendors.

The company did not trade during the period under review.

DIVIDENDS

The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the period are shown on page 1. None of the directors held any interest in the shares of the company at any time during the financial period.

AUDITORS

On 1 August 2003 Deloitte & Touche transferred their entire business to Deloitte & Touche LLP, a limited liability partnership formed pursuant to the Limited Liability Partnership Act 2000. The Company has given its consent to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP. Accordingly, the accounts have been signed in the name of Deloitte & Touche LLP. A resolution for the re-appointment of Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 23 September 2003 and signed on behalf of the Board



S P Morris
Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial year 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; 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOGICAL SOUTH AMERICA LIMITED (formerly Doorforth Limited)

We have audited the financial statements of Logical South America Limited (formerly Doorforth Limited) for the period from incorporation to 28 February 2003, which comprise the balance sheet and related notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 circumstances of the company, 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 affairs of the company as at 28 February 2003 and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
Reading

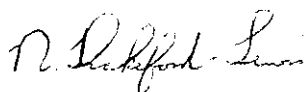
23 September 2003

BALANCE SHEET
28 February 2003

	Note	28 February 2003 £
FIXED ASSETS		
Investments	3	<u>4,799</u>
CREDITORS: amounts falling due within one year	4	<u>(4,699)</u>
NET CURRENT LIABILITIES		<u>(4,699)</u>
NET ASSETS		<u><u>100</u></u>
CAPITAL AND RESERVES		
Called up share capital	5	<u>100</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u><u>100</u></u>

These financial statements were approved by the Board of Directors on 23 September 2003.

Signed on behalf of the Board of Directors



N V Drakeford-Lewis

Director

NOTES TO THE ACCOUNTS

Period from 18 February 2002 to 28 February 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Investments

Investments in associates and subsidiary companies are stated at cost, unless an impairment in the value of the investment has occurred. In these circumstances, the investment is stated at written down value.

Consolidation

The Company has taken advantage of s228 Companies Act 1985 and has not prepared group accounts since the Company is itself a subsidiary of Logical Group Limited which prepares consolidated accounts including the profit and loss accounts and balance sheets of the Company and its subsidiaries. Hence the information provided in these financial statements presents information about the company as an individual undertaking and not as a group.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the period and made neither a profit or loss nor any other recognised gain or loss in the period. The company had no employees during the period. No director received any remuneration in respect of services to the company in the period. The proportion of Directors' remuneration paid by other Logical Group companies which is attributed to their duties as Directors of the Company is £nil. The auditors' remuneration of £2,500 was met by another group company.

3. INVESTMENTS

	Subsidiary companies £
Cost and net book value	
At 18 February 2002	-
Acquisitions – share capital issued in consideration	25
Professional fees in relation to acquisitions	4,774
	<hr/>
At 28 February 2003	4,799
	<hr/>

Information on the Company's subsidiaries is listed below:

Subsidiary	Country of registration and operation	Activity	Proportion of ordinary shares held
Softnet Logical Comercial Importadora, Exportadora e de Serviços Ltda	Brazil	Professional services and IT network integration	100%
Softnet Logical Paraguay S.A.	Paraguay	Professional services and IT network integration	100%

NOTES TO THE ACCOUNTS

Period from 18 February 2002 to 28 February 2003

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £
Amounts owed to Logical Group Services Ltd	4,699
	<u>4,699</u>

5. CALLED UP SHARE CAPITAL

	2003 £
Authorised	
1,000 ordinary shares of £1 each	1,000
	<u>1,000</u>
	2003 £
Called up, allotted and fully paid	
100 ordinary shares of £1 each	100
	<u>100</u>

One ordinary share of £1 was issued on incorporation and paid for in cash. On 22 June 2002, the company issued 74 shares to Logical Group Limited to provide it with initial working capital and 25 shares to the vendors of its two subsidiaries in order to acquire those companies.

6. MOVEMENT IN SHAREHOLDERS' DEFICIT

	Period from 18 February 2002 to 28 February 2003 £
Shareholders' funds on incorporation	1
Issue of shares	99
	<u>100</u>
Shareholders' funds at 28 February 2003	<u>100</u>

7. RELATED PARTY TRANSACTIONS

In accordance with the exemption permitted by Financial Reporting Standard No. 8 "Related Party Disclosures", transactions with other group undertakings within, and investee related parties of, Datatec Limited have not been disclosed in these financial statements.

8. PARENT AND ULTIMATE PARENT COMPANIES AND CONTROLLING PARTY

The immediate parent company is Logical Group Limited. The parent of the smallest group for which group accounts are prepared is Logical Group Limited, a company incorporated in Great Britain. The accounts of Logical Group Limited may be obtained from 110 Buckingham Avenue, Slough, Berkshire, SL1 4PF.

The ultimate parent company and controlling party is Datatec Limited, a company incorporated in South Africa. Datatec Limited heads the largest group of which the company is a member and for which group accounts are prepared. The accounts of Datatec Limited may be obtained from PO Box 76226, Wendywood, 2144, South Africa.