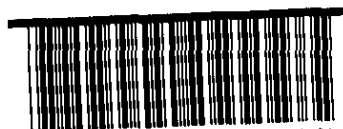


SC230448

Report of the Directors and
Financial Statements
for the Period Ended 31 December 2002
for
Kelvin Connect Limited



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COMPANIES HOUSE 22/10/03

Kelvin Connect Limited

Contents of the Financial Statements

For the Period Ended 31 December 2002

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Kelvin Connect Limited

Company Information
for the Period Ended 31 December 2002

Directors:	Dr Meurig Sage
	Dr Martin Gardner
	Philip Douglas Gray
Secretary:	William L Govan
Registered Office:	c/o W L Govan Festival Business Centre 150 Brand Street Glasgow G51 1DH
Registered Number:	SC230448

Kelvin Connect Limited

Report of the Directors

For the Period Ended 31 December 2002

The directors present their report with the financial statements of the Company for the period ended 31 December 2002.

COMMENCEMENT OF TRADING

The Company commenced trading on 4 October 2002.

PRINCIPAL ACTIVITY

The principal activity of the Company in the period under review is research and development of computer software.

DIRECTORS

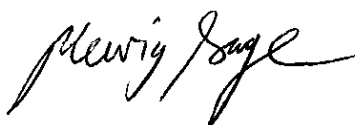
The directors for the period under review were: Dr Meurig Sage, Dr Martin Gardner and Philip Douglas Gray and their beneficial interests in the issued share capital of the Company was as follows:

	4.10.02	31.12.02
Ordinary shares of £1 each		
Dr Martin Gardner	1	nil
Ordinary shares of 10p each		
Dr Meurig Sage	nil	200
Dr Martin Gardner	nil	200
Philip Douglas Gray	nil	200
Other shareholder: GU Holdings Limited	nil	200

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD

Meurig Sage
Director
20 October 2003



Kelvin Connect Limited

Profit and Loss Account

For the Period Ended 31 December 2002

	Notes	£
Turnover		<u>29,000</u>
Purchases		
Computers		2,052
Direct Expenses		14,926
Overheads		<u>9,541</u>
Total expenditure		26,519
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,481
Tax on profit on ordinary activities		nil
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		2,481
RETAINED PROFIT CARRIED FORWARD		2,481

Kelvin Connect Limited

Balance Sheet
31 December 2002

	Notes	£
FIXED ASSETS:		
Computers and Hardware		<u>2,052</u>
CURRENT ASSETS:		
Bank		<u>37,830</u>
CURRENT LIABILITIES:		
Amounts falling due within one year		3,525
NET CURRENT ASSETS		<u>34,305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		36,357
CAPITAL AND RESERVES:		
Called up share capital		80
Reserves (including share premium)		33,796
Profit and loss account		<u>2,481</u>
SHAREHOLDERS' FUNDS		<u>36,357</u>

The Company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 December 2002.

The members have not required the Company to obtain an audit of its financial statements for the period ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

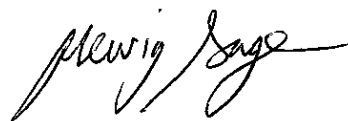
- (a) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act, and
- (b) preparing financial statements which give a true and fair view of the state of the affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD

Meurig Sage, Director

Approved by the Board on 20 October 2003



Kelvin Connect Limited

Notes to the Financial Statements For the Period Ended 31 December 2002

1 ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents invoiced sales of services.

2 OPERATING PROFIT (LOSS)

£

The operating profit is stated after charging:

Director's emoluments and other benefits etc 2,738

3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

PAYE/salaries 3,525

4 CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value
1,050	Ordinary	10p each

Allotted, Issued and fully paid:

Number:	Class:	Nominal value
800	Ordinary	10p each