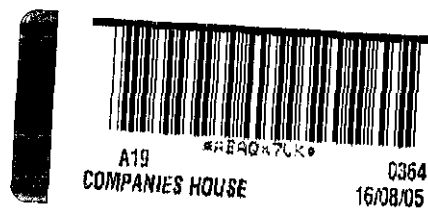


PRIME DIGITAL SERVICES LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2005



HPCA Limited
Chartered Accountants
Kingsway House
123 Goldsworth Road
Woking
Surrey
GU21 6LR

PRIME DIGITAL SERVICES LIMITED

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for the year ended 31st May 2005

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PRIME DIGITAL SERVICES LIMITED

COMPANY INFORMATION
for the year ended 31st May 2005

DIRECTORS:

H B Hills
S J Hills

SECRETARY:

H B Hills

REGISTERED OFFICE:

56 Horsell Moor
WOKING
Surrey
GU21 4NN

REGISTERED NUMBER:

4783239

ACCOUNTANTS:

HPCA Limited
Chartered Accountants
Kingsway House
123 Goldsworth Road
Woking
Surrey
GU21 6LR

PRIME DIGITAL SERVICES LIMITED

REPORT OF THE DIRECTORS
for the year ended 31st May 2005

The directors present their report with the financial statements of the company for the year ended 31st May 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of designing, installing and supporting CCTV systems

DIRECTORS

The directors during the year under review were:

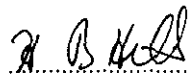
H B Hills
S J Hills

The beneficial interests of the directors holding office on 31st May 2005 in the issued share capital of the company were as follows:

	31.5.05	1.6.04
Ordinary 1 shares		
H B Hills	1	1
S J Hills	1	1

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

ON BEHALF OF THE BOARD:



.....
H B Hills - Director

Date: 10/8/2005
.....

PRIME DIGITAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31st May 2005

	Notes	Year Ended 31.5.05 £	£	Period 6.5.03 to 31.5.04 £	£
TURNOVER			61,211		9,590
Cost of sales			24,389		5,188
GROSS PROFIT			36,822		4,402
Distribution costs		214		71	
Administrative expenses		34,736		12,907	
			34,950		12,978
OPERATING PROFIT/(LOSS)	2		1,872		(8,576)
Interest receivable and similar income			158		19
			2,030		(8,557)
Interest payable and similar charges			24		2
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			2,006		(8,559)
Tax on profit/(loss) on ordinary activities	3		-		-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION			2,006		(8,559)
RETAINED PROFIT/(DEFICIT) FOR THE YEAR			2,006		(8,559)

The notes form part of these financial statements

PRIME DIGITAL SERVICES LIMITED

BALANCE SHEET

31st May 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible assets	4	4,153	3,716
CURRENT ASSETS			
Stocks		5,000	873
Debtors	5	10,284	1,051
Prepayments and accrued income		290	290
Cash at bank and in hand		1,156	3,369
		<u>16,730</u>	<u>5,583</u>
CREDITORS			
Amounts falling due within one year	6	<u>7,910</u>	<u>1,050</u>
NET CURRENT ASSETS		<u>8,820</u>	<u>4,533</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,973</u>	<u>8,249</u>
CREDITORS			
Amounts falling due after more than one year	7	<u>19,524</u>	<u>16,806</u>
		<u>(6,551)</u>	<u>(8,557)</u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account	9	<u>(6,553)</u>	<u>(8,559)</u>
SHAREHOLDERS' FUNDS		<u>(6,551)</u>	<u>(8,557)</u>

The notes form part of these financial statements

PRIME DIGITAL SERVICES LIMITED

BALANCE SHEET - continued

31st May 2005

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st May 2005.


The members have not required the company to obtain an audit of its financial statements for the year ended 31st May 2005 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 1985 and
- (b) preparing financial statements which give a true and fair view of the state of 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 VII 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:



H B Hills - Director

Approved by the Board on 10/8/2005

PRIME DIGITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May 2005

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 net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 33% on cost, 25% on cost and 10% on cost
-------------------------	--

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. OPERATING PROFIT/(LOSS)

The operating profit (2004 - operating loss) is stated after charging:

	Year Ended 31.5.05 £	Period 6.5.03 to 31.5.04 £
Depreciation - owned assets	<u>2,137</u>	<u>1,468</u>
Directors' emoluments and other benefits etc	<u>4,792</u>	<u>4,740</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st May 2005 nor for the period ended 31st May 2004.

PRIME DIGITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31st May 2005

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1st June 2004	5,184
Additions	2,574
	<hr/>
At 31st May 2005	7,758
	<hr/>
DEPRECIATION	
At 1st June 2004	1,468
Charge for year	2,137
	<hr/>
At 31st May 2005	3,605
	<hr/>
NET BOOK VALUE	
At 31st May 2005	4,153
	<hr/>
At 31st May 2004	3,716
	<hr/>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Trade debtors	10,284	-
Other debtors	-	1,051
	<hr/>	<hr/>
	10,284	1,051
	<hr/>	<hr/>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Payments on account	635	500
Taxation and social security	3,155	-
Other creditors	4,120	550
	<hr/>	<hr/>
	7,910	1,050
	<hr/>	<hr/>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2005	2004
	£	£
Other creditors	19,524	16,806
	<hr/>	<hr/>

PRIME DIGITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31st May 2005

8. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
			£	£
1,000	Ordinary	1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
			£	£
2	Ordinary	1	<u>2</u>	<u>2</u>

9. RESERVES

	Profit and loss account
	£
At 1st June 2004	(8,559)
Retained profit for the year	<u>2,006</u>
At 31st May 2005	<u>(6,553)</u>