
SYSTEMATION EURO LIMITED

UNAUDITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 2005**



The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 5) have been prepared.

**ACCOUNTANTS' REPORT TO THE DIRECTOR
ON THE UNAUDITED FINANCIAL STATEMENTS OF SYSTEMATION EURO LIMITED**


In accordance with the engagement letter dated 8 June 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's director, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's director that we have done so, and state those matters that we have agreed to state to them in this 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 director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of the financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare the financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Haslers

Chartered Accountants

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Loughton
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IG10 4PL

30.1.06

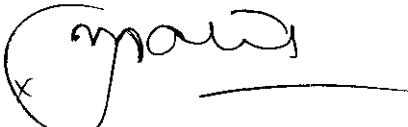
ABBREVIATED BALANCE SHEET
As at 31 March 2005

| | Note | 2005 | 2004 |
|--|------|------------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Intangible fixed assets | 2 | - | - |
| Tangible fixed assets | 3 | 281,081 | 344,898 |
| | | <u>281,081</u> | <u>344,898</u> |
| CURRENT ASSETS | | | |
| Stocks | | 63,933 | 69,049 |
| Debtors | 4 | 222,413 | 279,669 |
| Cash at bank and in hand | | 12,217 | 8,011 |
| | | <u>298,563</u> | <u>356,729</u> |
| CREDITORS: amounts falling due within one year | | (227,830) | (259,222) |
| | | <u>70,733</u> | <u>97,507</u> |
| NET CURRENT ASSETS | | | |
| | | <u>70,733</u> | <u>97,507</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>351,814</u> | <u>442,405</u> |
| CREDITORS: amounts falling due after more than one year | | (36,749) | (41,360) |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | |
| Deferred taxation | | - | (4,500) |
| NET ASSETS | | <u>£ 315,065</u> | <u>£ 396,545</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 5 | 100,000 | 100,000 |
| Profit and loss account | | 215,065 | 296,545 |
| SHAREHOLDERS' FUNDS | | <u>£ 315,065</u> | <u>£ 396,545</u> |

ABBREVIATED BALANCE SHEET
As at 31 March 2005

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2005 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 30.4.06 and signed on its behalf.



M Patel
Director

The notes on pages 4 to 5 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2005

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to profit and loss account over its estimated economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|---------------------|-------------------------------|
| Plant & Machinery | - 20% and 12.5% straight line |
| Motor Vehicles | - 25% straight line |
| Fixtures & Fittings | - 20% straight line |

2. INTANGIBLE FIXED ASSETS

| | |
|-----------------------------------|----------------|
| | £ |
| Cost | |
| At 1 April 2004 and 31 March 2005 | 121,481 |
| | <hr/> |
| Amortisation | |
| At 1 April 2004 and 31 March 2005 | 121,481 |
| | <hr/> |
| Net book value | |
| At 31 March 2005 | £ - |
| | <hr/> <hr/> |

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2005

3. TANGIBLE FIXED ASSETS

| | £ |
|-----------------------|------------------|
| Cost | |
| At 1 April 2004 | 1,845,039 |
| Additions | 110,700 |
| Disposals | (24,143) |
| | <u>1,931,596</u> |
| At 31 March 2005 | <u>1,931,596</u> |
| Depreciation | |
| At 1 April 2004 | 1,500,141 |
| Charge for the year | 165,888 |
| On disposals | (15,514) |
| | <u>1,650,515</u> |
| At 31 March 2005 | <u>1,650,515</u> |
| Net book value | |
| At 31 March 2005 | £ 281,081 |
| At 31 March 2004 | £ 344,898 |

4. DEBTORS**5. SHARE CAPITAL**

| | 2005 £ | 2004 £ |
|---|----------------|----------------|
| Authorised | | |
| 500,000 Ordinary shares of £1 each | £ 500,000 | £ 500,000 |
| | <u>500,000</u> | <u>500,000</u> |
| Allotted, called up and fully paid | | |
| 100,000 Ordinary shares of £1 each | £ 100,000 | £ 100,000 |
| | <u>100,000</u> | <u>100,000</u> |

6. TRANSACTIONS WITH DIRECTORS

A Loan to the Director, M Patel, for the sum of £27,508, was written off at the year end..