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SERUS I.T. LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JULY 31 2004



Company No: 3593297

SERUS I.T. LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED JULY 31 2004

The director submits his report and the financial statements for the year ended July 31 2004.

RESULTS AND DIVIDENDS

The company's results for the period are shown in the annexed financial statements.

Net dividends of £400 per £1 ordinary share were voted and paid during the year under review (2003: £330).

ACTIVITIES

The principal activity of the company is that of the provision of computer consultancy services and web space design.

DIRECTOR

The Director's beneficial interest in the companies share capital is as below:

	<u>2004</u>	<u>2003</u>
P. Swindell	100	100

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the 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 director is required to:

- select suitable accounting 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.

SERUS I.T. LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED JULY 31 2004
(CONTINUED)

SMALL COMPANY RULES

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 in accordance with the Financial Reporting Standard for Smaller Entities.

This Report was approved by the board on November 18 2004 and signed on its behalf.

65 Grove Road
Benfleet
Essex SS7 1JH

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'T. Swindell', is written over a horizontal line.

T. Swindell - Secretary

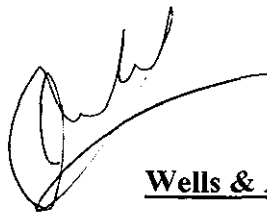
ACCOUNTANT'S REPORT

TO THE DIRECTOR OF

SERUS I.T. LIMITED

In accordance with the instructions given to me, I have prepared the financial statements set out on pages 4 to 9 for the year ended July 31 2004 from the accounting records, information and explanations supplied by the company's officers.

I have not carried out an audit therefore, this report is not intended to be an audit report.



Wells & Associates Ltd

Chartered Certified Accountant

Dated:.....

18/8/04

First Floor Offices
Xanit House
87-89 Prince Avenue
Southend-on-Sea
Essex
SS2 6RL

SERUS I.T. LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JULY 31 2004

	<u>NOTES</u>	<u>2004</u>	<u>2003</u>
<u>TURNOVER</u>	2	90,363	107,697
<u>ADMINISTRATIVE EXPENSES</u>		<u>27,250</u>	<u>29,309</u>
<u>OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	3	63,113	78,388
<u>LESS: Taxation</u>	5	<u>11,870</u>	<u>14,720</u>
<u>PROFIT AFTER TAXATION AND BEFORE DISTRIBUTION</u>		51,243	63,668
<u>LESS: Distributions</u>		<u>40,000</u>	<u>33,000</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION & DISTRIBUTION</u>		11,243	30,668
Balance Brought Forward		<u>153,621</u>	<u>122,953</u>
<u>BALANCE CARRIED FORWARD TO BALANCE SHEET</u>		<u>£164,864</u>	<u>£153,621</u>

The attached Notes form an integral part of these Financial Statements.

SERUS I.T. LIMITED

BALANCE SHEET AS AT JULY 31 2004

	<u>NOTES</u>	£	£	£	<u>2003</u> £
<u>FIXED ASSETS</u>					
Tangible Assets	4		8,085		7,134
<u>CURRENT ASSETS</u>					
Debtors	6	4,450		588	
Balance at Bank		<u>168,723</u>		<u>167,022</u>	
		<u>£173,173</u>		<u>£167,610</u>	
<u>CREDITORS:</u> Amounts falling due within one year	7	<u>£16,294</u>		<u>£21,023</u>	
<u>NET CURRENT ASSETS</u>			<u>156,879</u>		<u>146,587</u>
<u>NET ASSETS</u>			<u>£164,964</u>		<u>£153,721</u>
<u>CAPITAL AND RESERVES</u>					
Called Up Share Capital	9		100		100
Profit and Loss Account			<u>164,864</u>		<u>152,621</u>
<u>SHAREHOLDERS' FUNDS</u>			<u>£164,964</u>		<u>£152,721</u>

For the period in question, the company was entitled to exemption from audit, conferred by Subsection (1) of Section 249A of the Companies Act 1985. No notice has been deposited under Subsection (2) of Section 249B in relation to its financial statements for the financial year

The director acknowledges his responsibilities for:

- i) Ensuring that the company keeps accounting records that comply with Section 221 of the Companies Act 1985.
- ii) Preparing financial statements 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 its profit or loss for the financial year, in accordance with the requirements of the Act relating to the financial statements so far as applicable to the company.

SERUS I.T. LIMITED

BALANCE SHEET AS AT JULY 31 2004

(CONTINUED)

These financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2002) were approved by the Board on November 18 2004 and signed on its behalf.



.....
P. Swindell - Director

The attached notes form an integral part of these Financial Statements.

SERUS I.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT JULY 31 2004

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the director's report and all of which are continuing.

(b) Depreciation

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its useful life as follows:

Equipment 25%

(c) 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 Financial Reporting Standard 1 "Cash Flow Statements"

(d) Deferred Taxation

No further provision has been made for taxation deferred in respect of timing differences as in the opinion of the director; there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

Turnover represents the invoiced amount of work done in the year. All work was performed in the U.K.

3. OPERATING PROFIT

This is stated after charging/(crediting):

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Director's Remuneration	20,000	20,000
Depreciation of Tangible Fixed Assets	2,694	2,379
Bank Interest Received	(5,561)	(4,825)
	<u>=====</u>	<u>=====</u>

SERUS I.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT JULY 31 2004

(CONTINUED)

4. TANGIBLE FIXED ASSETS

EQUIPMENT

<u>Cost as at 1.8.03</u>	15,631
Additions	<u>3,645</u>
<u>Cost as at 31.7.04</u>	£19,276
	=====
<u>Depreciation as at 1.8.03</u>	8,497
Charge for period	<u>2,694</u>
<u>Depreciation at 31.7.04</u>	£11,191
	=====
<u>Net Book Values at 31.7.04</u>	£8,085
	=====
<u>Net Book Values at 31.7.03</u>	£7,134
	=====

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2004</u>	<u>2003</u>
	£	£
U.K. Corporation Tax based on Profits for the year at 19%	11,870	14,720
Tax Provision Adjustment	<u>-</u>	<u>-</u>
	£11,870	£14,720
	=====	=====

6. DEBTORS:

	<u>2004</u>	<u>2003</u>
	£	£
Trade Debtors	<u>£4,450</u>	<u>£588</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2004</u>	<u>2003</u>
	£	£
Other Creditors and Accruals	831	690
Other Taxes and Social Security	3,067	4,945
Corporation Tax	11,870	14,720
Director's Loan Account	<u>526</u>	<u>668</u>
	£16,294	£21,023
	=====	=====

SERUS I.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT JULY 31 2004

(CONTINUED)

8. SHARE CAPITAL

	<u>2004</u>	<u>2003</u>
Ordinary Shares of £1 each		
- Authorised	100	100
	=====	=====
- Allotted, Called Up and Fully Paid	100	100
	=====	=====