Registered no. 3623712

AURORA COMPUTER SERVICES LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 1999

AURORA COMPUTER SERVICES LIMITED

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AURORA COMPUTER SERVICES LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 1999

	Note	1999 £
FIXED ASSETS	2	
Intangible assets		2,500
Tangible assets		20,399
		22,899
CURRENT ASSETS		
Stocks	5,205	
Debtors	22,852	
Cash at bank and in hand	41	
	28,098	
CREDITORS		
Amounts falling due within one year	47,440	
NET CURRENT LIABILITIES		(19,342)
NET ASSETS		3,557
CAPITAL AND RESERVES		
Called up share capital	3	110
Share premium account		353,188
Profit and loss account		(349,741)
EQUITY SHAREHOLDERS' FUNDS		3,557

The annexed notes form part of these financial statements.

AURORA COMPUTER SERVICES LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 1999 (CONT)

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to the accounts for the financial period.

The directors acknowledge their responsibilities for:

i   ensuring that the company keeps accounting records which comply with section 221; and

ii   preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 26 June 2000.

ON BEHALF OF THE BOARD

H A CARR-ARCHER - DIRECTOR

The annexed notes form part of these financial statements.

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1999

1. **ACCOUNTING POLICIES**

   The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts.

   Cash Flow Statement

   The company qualifies as a small company and advantage has therefore been taken of the exemption provided by the Financial Reporting Standard No 1 not to prepare a cash flow statement.

   Basis of Preparation of Financial Statements

   The financial statements have been prepared under the historical cost convention.

   After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

   The effect of events relating to the period ended 31 December 1999 which occurred before the date of approval of the financial statements by the Board of Directors, has been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 1999 and of the results for the period ended on that date.

   Depreciation

   Depreciation has been computed to write off the cost less estimated residual value of tangible fixed assets over their expected useful lives using the following rates:

Computer equipment	- 33% per annum of cost
Fixtures and fittings	- 20% per annum reducing balance method

   Intangible Fixed Assets

   Purchased goodwill and intellectual property rights are amortised through the profit and loss account in equal instalments over a period of two years.

   Stocks

   Stocks have been valued at the lower of cost and net realisable value.

   Deferred Taxation

   Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1999

Research and Development

Expenditure on research and development is written off against profits for the period in which it is incurred.

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension Costs

The company operates pension schemes for the benefit of certain employees. The schemes are defined contribution schemes,and the contributions are charged against profits as they are paid.

2. FIXED ASSETS

	Intangible fixed assets £	Tangible fixed assets £	Total £
Cost			
At 15 October 1998	-	-	-
Additions	5,000	28,971	33,971
Disposals	-	-	-
At 31 December 1999	5,000	28,971	33,971
Depreciation			
At 15 October 1998	-	-	-
Charge for the year	2,500	8,572	11,072
Disposals	-	-	-
At 31 December 1999	2,500	8,572	11,072
Net book value			
At 31 December 1999	2,500	20,399	22,899

AURORA COMPUTER SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1999

3. SHARE CAPITAL

	1999 £
Authorised	
10,000,000 ordinary shares of 1 penny each	100,000
Allotted, called up and fully paid	
11,038 ordinary shares of 1 penny each	110

During the period 77 ordinary £1 shares were issued, some at a premium, for cash to provide working capital. On 11 January 1999 these shares were subdivided into 7,700 ordinary shares of 1 penny each, and a further 3,338 1 penny shares were issued subsequently at a premium to provide additional working capital. The total consideration received for shares issued during the period amounted to £353,298.

Options outstanding under the company's share option scheme at 31 December 1999 were as set out below:-

No of 1p ordinary shares	Date of grant	Option price
342	23 March 1999	£30
280	5 August 1999	£50
300	14 October 1999	£60
922		

Options under the share option scheme are exercisable during a period commencing on the third anniversary and ending on the tenth anniversary of grant.

Option monies received totalling £9 in respect of the options outstanding at 31 December 1999 are included in other creditors.