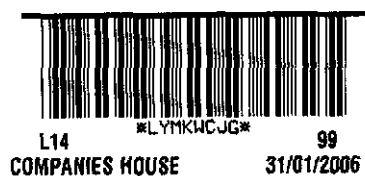


R.O.C

KAINES COMPUTING LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2005

Company Number 2746018 (England and Wales)



KAINES COMPUTING LIMITED

COMPANY INFORMATION

DIRECTOR:	Mr Norman Kaines
SECRETARY:	Ms Rowena Singh
REGISTERED OFFICE:	112 Morden Road London SW19 3BP
COMPANY NUMBER:	2746018 (England and Wales)
ACCOUNTANTS:	Geoffrey Nathan 112 Morden Road London SW19 3BP.

KAINES COMPUTING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2005

CONTENTS

Page	1.	Report of the Director
Page	2.	Profit and Loss Account
Page	3.	Balance Sheet
Pages	4-6.	Notes to Financial Statements

The following page does not form part of the Statutory Accounts

Page	7.	Trading and Profit and Loss Account
------	----	-------------------------------------

KAINES COMPUTING LIMITED
REPORT OF THE DIRECTOR

FOR THE YEAR ENDED 31 AUGUST 2005

The director presents his report and the financial statements for the year ended 31 August 2005.

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 state of affairs of the company and of the profit or loss of the company for that period. 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.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of computer software consultancy.

FUTURE DEVELOPMENTS

The company will continue to promote its services.

DIRECTOR

The Director who served during the year and his beneficial interests in the company's issued ordinary share capital were:

	Ordinary Shares of £1 each	
	2005	2004
Mr Norman Kaines	100	100

The report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board and signed on its behalf.

N. Kaines.....

Mr Norman Kaines
Director

31/12/2005.....
Date:

KAINES COMPUTING LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
Administration Expenses		1,022	1,070
<u>OPERATING LOSS</u>	2	(1,022)	(1,070)
Income from Investments	3	6,161	3,427
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		5,139	2,357
Tax on Ordinary Activities	4	-	-
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		£ 5,139	£ 2,357
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		120,811	118,454
Retained Profit for the Year		5,139	2,357
RETAINED PROFIT CARRIED FORWARD		£ 125,950	£ 120,811

There were no recognised gains and losses for 2005 or 2004 other than those included in the profit and loss account.

The notes on pages 4 to 6 form part of these financial statements.

KAINES COMPUTING LIMITEDBALANCE SHEET
AS AT 31 AUGUST 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
FIXED ASSETS			
Tangible Assets	5	276	368
CURRENT ASSETS			
Debtors	6	34	33
Cash at Bank and in Hand		126,417	121,306
		<u>126,451</u>	<u>121,339</u>
CREDITORS : amounts falling due within one year	7	<u>677</u>	<u>796</u>
NET CURRENT ASSETS		<u>125,774</u>	<u>120,543</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 126,050</u>	<u>£ 120,911</u>
CAPITAL AND RESERVES			
Called Up Share Capital	8	100	100
Profit and Loss Account		125,950	120,811
SHAREHOLDER'S FUNDS	9	<u>£ 126,050</u>	<u>£ 120,911</u>

The director has taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

The director has also taken advantage of the small Company Audit Exemption under the Companies Act 1985 (Audit Exemption) Regulations 1994 and confirms:

- (a) that for the year in question the company was entitled to exemption under Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited under Section 249B(2) of the Act in relation to its accounts for the financial year;
- (c) that the director acknowledges his responsibilities for:
 - (1) ensuring that the company maintains proper books and records as required by Section 221, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company and of its profit and loss for the financial year in accordance with the Section 226 and which otherwise comply with the requirements of the Act relating to accounts.

The financial statements were approved by the board and signed on its behalf.

Norman Kaines
.....
Mr Norman Kaines
Director

31/12/2005
.....
Date:

KAINES COMPUTING LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 AUGUST 2005**1. ACCOUNTING POLICIES****Basis of preparation**

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

Turnover

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

Tangible Fixed Assets and Depreciation

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

Office Equipment	25% Reducing balance basis
------------------	----------------------------

Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. OPERATING PROFIT

The Operating Loss is stated
after charging:

	<u>2005</u>	<u>2004</u>
	£	£
Amount Written Off Tangible Fixed Assets	92	123
	<u> </u>	<u> </u>

3. INCOME FROM INVESTMENTS

	<u>2005</u>	<u>2004</u>
	£	£
Bank Interest Received	6,161	3,427
	<u> </u>	<u> </u>

KAINES COMPUTING LIMITEDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 20054. TAXATION

UK current year taxation

The company has no liability to Corporation Tax for the year ended 31 August 2005 & 31 August 2004.

5. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>
COST	£
At 01 September 2004	7,698
At 31 August 2005	7,698
DEPRECIATION	
At 01 September 2004	7,330
Charge for year	92
At 31 August 2005	7,422
NET BOOK VALUE	
At 31 August 2005	276
At 31 August 2004	368

6. CREDITORS

Amounts falling due within one year:	<u>2005</u>	<u>2004</u>
	£	£
Other Creditors:		
Director's Current Account	659	602
Accruals and Deferred Income	18	194
	677	796

7. CALLED UP SHARE CAPITAL

	<u>2005</u>	<u>2004</u>
	£	£
Authorised Share Capital		
Ordinary Shares Of £ 1 each	1000	1000
Allotted, Issued and Fully Paid		
Ordinary Shares Of £ 1 each	100	100

8. MOVEMENT ON SHAREHOLDERS' FUNDS

	<u>2005</u>	<u>2004</u>
Profit for the year	5,139	2,357
Opening shareholders' funds	120,911	118,554
Closing shareholders' funds	126,050	120,911

KAINES COMPUTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2005

9. CONTINGENT LIABILITIES

At the date of the balance sheet there were no contingent liabilities.

10. CAPITAL COMMITMENTS

There were no capital commitments at the end of the year.

11. COMPARATIVES

The comparatives are for the year ended 31 August 2004.