

ACTIVE SILICON LIMITED
FINANCIAL STATEMENTS

31ST MARCH 2000

Company Registration Number 02263641

HARE WILSON & CO

Chartered Accountants & Registered Auditors
Redmead House, Uxbridge Road
Hillingdon Heath, Uxbridge
Middlesex, UB10 0LT

ACTIVE SILICON LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

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ACTIVE SILICON LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr H C Pearce
Mr C J Beynon

Company secretary

Mr I R Marshall

Registered office

Redmead House
Uxbridge Road
Hillingdon Heath
Uxbridge
Middlesex
UB10 0LT

Auditors

Hare Wilson & Co
Chartered Accountants
& Registered Auditors
Redmead House, Uxbridge Road
Hillingdon Heath, Uxbridge
Middlesex, UB10 0LT

ACTIVE SILICON LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31ST MARCH 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were the design and supply of electronic and computer systems.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
Mr H C Pearce	51	51
Mr C J Beynon	26	26
Mr W G Pearce	(Retired 31 December 1999)	

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are 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.

AUDITORS

A resolution to re-appoint Hare Wilson & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

ACTIVE SILICON LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31ST MARCH 2000

SMALL COMPANY PROVISIONS

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

Registered office:
Redmead House
Uxbridge Road
Hillingdon Heath
Uxbridge
Middlesex
UB10 0LT

Signed by order of the directors

MR I R MARSHALL
Company Secretary

Approved by the directors on

ACTIVE SILICON LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST MARCH 2000

We have audited the financial statements on pages 5 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Redmead House, Uxbridge Road
Hillingdon Heath, Uxbridge
Middlesex, UB10 0LT

HARE WILSON & CO
Chartered Accountants
& Registered Auditors

.....

TURNOVER		2,003,654	1,623,398
Cost of sales		(1,087,342)	(862,016)
GROSS PROFIT		916,312	761,382
Administrative expenses		(629,927)	(551,038)
OPERATING PROFIT	2	286,385	210,344
Profit on disposal of fixed assets		-	4,750
		286,385	215,094
Income from other fixed asset investments	4	944	462
Interest receivable		14,618	5,219
Interest payable		(879)	(840)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		301,068	219,935
Tax on profit on ordinary activities	5	(60,396)	(44,762)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		240,672	175,173
Equity dividends paid		(55,800)	(41,760)
RETAINED PROFIT FOR THE FINANCIAL YEAR		184,872	133,413
Balance brought forward		369,269	235,856
Balance carried forward		554,141	369,269

The notes on pages 7 to 10 form part of these financial statements.

ACTIVE SILICON LIMITED**BALANCE SHEET****31ST MARCH 2000**

	Note	2000	1999
		£	£
FIXED ASSETS			
Tangible assets	6	121,116	114,486
Investments	7	147,303	50,000
		268,419	164,486
CURRENT ASSETS			
Stocks		86,520	69,596
Debtors	8	277,287	450,089
Cash at bank and in hand		261,863	147,820
		625,670	667,505
CREDITORS: Amounts falling due within one year	9	(339,848)	(462,622)
NET CURRENT ASSETS		285,822	204,883
TOTAL ASSETS LESS CURRENT LIABILITIES		554,241	369,369
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Profit and loss account		554,141	369,269
SHAREHOLDERS' FUNDS		554,241	369,369

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the, and are signed on their behalf by:

.....
MR H C PEARCE

.....
MR C J BEYNON

ACTIVE SILICON LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer Equipment	-	33.33%
Fixtures & Fittings	-	20%
Motor Vehicles	-	20%

Stocks

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

2. OPERATING PROFIT

Operating profit is stated after charging:

	2000	1999
	£	£
Staff pension contributions	10,130	9,200
Depreciation	43,755	29,973
Auditors' fees	2,800	2,200

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000	1999
	£	£
Aggregate emoluments	110,500	90,800
Value of company pension contributions to money purchase schemes	5,995	10,004
	116,495	100,804

ACTIVE SILICON LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

3. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who are accruing benefits under company pension schemes were as follows:

	2000	1999
	No.	No.
Money purchase schemes	1	2

4. INCOME FROM OTHER FIXED ASSET INVESTMENTS

	2000	1999
	£	£
Dividend received	944	462

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
In respect of the year:		
Corporation tax based on the results for the year at 20% (1999 - 21%)	60,396	44,662
Adjustment in respect of previous years:		
Corporation tax	-	100
	60,396	44,762

ACTIVE SILICON LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

6. TANGIBLE FIXED ASSETS

	Computer Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1st April 1999	162,344	24,259	62,235	248,838
Additions	46,015	4,370	-	50,385
At 31st March 2000	208,359	28,629	62,235	299,223
DEPRECIATION				
At 1st April 1999	112,410	9,117	12,825	134,352
Charge for the year	26,805	4,503	12,447	43,755
At 31st March 2000	139,215	13,620	25,272	178,107
NET BOOK VALUE				
At 31st March 2000	69,144	15,009	36,963	121,116
At 31st March 1999	49,934	15,142	49,410	114,486

7. INVESTMENTS

	£
COST	
At 1st April 1999	50,000
Additions	97,303
At 31st March 2000	147,303
NET BOOK VALUE	
At 31st March 2000	147,303
At 31st March 1999	50,000

Listed investments

Listed investments having a net book value of £147,303 (1999 - £50,000) are held by the company and had a market value of £285,525 at the end of the year (1999 - £27,717).

ACTIVE SILICON LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MARCH 2000

8. DEBTORS	2000		1999	
	£	£	£	£
		2000		1999
		£		£
Trade debtors		255,903		429,157
Other debtors		8,056		8,056
Prepayments and accrued income		13,328		12,876
		277,287		450,089

9. CREDITORS: Amounts falling due within one year

	2000		1999	
	£	£	£	£
Bank loans and overdrafts		-		71,803
Trade creditors		113,546		156,416
Other creditors comprise:				
Corporation tax	60,598		44,855	
VAT	5,232		38,051	
Directors current accounts	-		12,828	
		65,830		95,734
Accruals and deferred income		160,472		138,669
		339,848		462,622

10. RELATED PARTY TRANSACTIONS

The company was under the control of Mr H C Pearce throughout the current and previous year. Mr Pearce is the managing director and majority shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

11. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	100	100