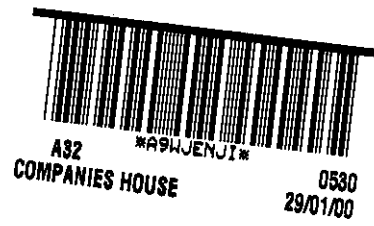


**WPM SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999**

REGISTERED NUMBER 2984631



**WPM SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999**

DIRECTORS

C. M. Weatherstone
A. F. Murray
S. McEvoy
J. A. Earls

SECRETARY

Mrs. C. Weatherstone

REGISTERED OFFICE

3 Dale Gardens
Heswall
Wirral
CH60 6TQ

COMPANY NUMBER

2984631

BANKERS

Barclays Bank plc

AUDITORS

Bailey, Page & Roper
Norwich House
Water Street
Liverpool

**WPM SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999**

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**WPM SOLUTIONS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 1999**

The directors present their report and the audited financial statements of the company for the year ended 31 March 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:-

- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and estimates that are reasonable and prudent.
- 3) 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. They 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.

PRINCIPAL ACTIVITIES

The principal activities of the company are the supply of professional services to the information technology industry.

BUSINESS REVIEW

The Company enjoyed another year of good growth with activity significantly ahead of last year. Profit fell as the Company reinvested heavily to sustain further growth in the future.

The Company's marketing programme designed to develop the corporate identity and to widen its customer base continued and expenditure in this area grew substantially. The Board expect this investment to generate substantial revenue in the future.

There was an increase in staffing levels to service the increased activity and to provide resources for the future. The costs of recruiting staff and developing skills have had an impact on current year profits.

The Board are confident that the Company can sustain growth into the future.

WPM SOLUTIONS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999

RESULTS AND DIVIDENDS

	1999	1998
	£	£
Profit after tax for the year	30,513	60,701

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisition and disposal of fixed assets during the year are shown in the notes to the accounts.

DIRECTORS

The directors who served during the year are shown below.

C. M. Weatherstone
A. F. Murray
S. McEvoy
J. A. Earls
C. G. Gardner
C. C. L. Hollingsworth (appointed 1 January 1999)

The directors beneficial interests in the issued ordinary share capital were as follows:

	1999	1998
	No.	No.
C. M. Weatherstone	750	775
A. F. Murray	100	100
S. McEvoy	50	50
J. A. Earls	50	25

AUDITORS

The auditors, Bailey, Page & Roper, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 28 January 2000 and signed on their behalf.

C Weatherstone

Signed
Mrs. C. Weatherstone

**AUDITORS' REPORT
TO THE SHAREHOLDERS OF
WPM SOLUTIONS LIMITED
FOR THE YEAR ENDED 31 MARCH 1999**

We have audited the accounts on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

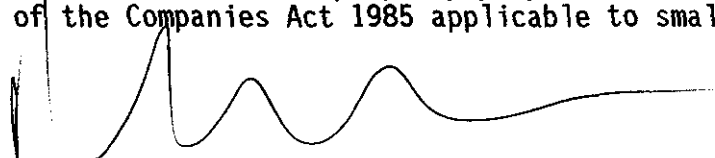
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Bailey, Page & Roper
Chartered Accountants
Registered Auditor

Norwich House
Water Street
Liverpool

28 January 2000

**WPM SOLUTIONS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1999**

	Note	1999 £	£	1998 £
TURNOVER	2			
Continuing operations		1,057,731		782,728
Cost of sales	3	327,643		182,895
GROSS PROFIT		<u>730,088</u>		<u>599,833</u>
Net operating expenses	3&4	683,942		519,600
OPERATING PROFIT	4			
Continuing operations		46,146		80,233
Interest payable and similar charges	6	(7,583)		(3,726)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>38,563</u>		<u>76,507</u>
Tax on ordinary activities	7	8,050		15,806
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>30,513</u>		<u>60,701</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>£ 30,513</u>	<u>£</u>	<u>60,701</u>

The company made no recognised gains and losses other than those reported in the profit and loss account.

The notes on pages 9 to 15 form part of these accounts

WPM SOLUTIONS LIMITED
BALANCE SHEET
AT 31 MARCH 1999

	Note	1999 £	£	1998 £
FIXED ASSETS				
Tangible assets	8		55,368	<u>57,653</u>
CURRENT ASSETS				
Stock	9	4,000		12,405
Debtors	10	293,687		<u>121,999</u>
			<u>297,687</u>	<u>134,404</u>
CREDITORS: Amounts falling due within one year	11	252,853		<u>127,986</u>
NET CURRENT ASSETS			<u>44,834</u>	<u>6,418</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100,202</u>	<u>64,071</u>
CREDITORS: Amounts falling due after more than one year	12		7,294	<u>1,676</u>
NET ASSETS		<u>£ 92,908</u>	<u>£ 62,395</u>	
CAPITAL AND RESERVES				
Called up share capital	13	1,000		1,000
Profit and loss account	14	91,908		<u>61,395</u>
TOTAL CAPITAL EMPLOYED		<u>£ 92,908</u>	<u>£ 62,395</u>	

Signed on behalf of the Board



C. M. Weatherstone
28 January 2000

The notes on pages 9 to 15 form part of these accounts

WPM SOLUTIONS LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 MARCH 1999

	1999	1998
	£	£
Profit for the financial year	30,513	60,701
Net addition to shareholders' funds	<u>30,513</u>	<u>60,701</u>
Opening shareholders' funds	62,395	1,694
Closing shareholders' funds	<u>£ 92,908</u>	<u>£ 62,395</u>

The notes on pages 9 to 15 form part of these accounts

1. ACCOUNTING POLICIES

1a. Basis of accounting

The accounts have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

1b. Tangible fixed assets

Fixed assets are shown at historical cost.

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

	1999	1998
Motor vehicles - % on cost	25	25
Fixtures and equipment- % on cost	20	20
Computer Equipment - % on cost	35	35

1c. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost incurred in bringing each product to its present location and condition is based on purchase cost on a first-in, first-out basis, including transport.

1d. Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Advance corporation tax payable on dividends paid or provided for in the year is written off.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and by the tax authorities) has been calculated on the liability method. Deferred tax is provided on timing differences, which will probably reverse at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse. However, the amount of all deferred tax, including that which will probably not reverse, is shown in note .

WPM SOLUTIONS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999

1. ACCOUNTING POLICIES (CONTINUED)

1e. Turnover

Turnover comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services in the normal course of business.

1f. Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

1g. Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

2. TURNOVER

Turnover and profit on ordinary activities before taxation are attributable to the principal activity.

3. COST OF SALES AND NET OPERATING EXPENSES

	1999	1998
	£	£
Cost of sales	£ 327,643	£ 182,895
Net operating expenses:		
Distribution costs	14,596	3,212
Administrative expenses	651,532	500,351
Depreciation	17,814	17,942
Other operating income	-	(1,905)
	<u>£ 683,942</u>	<u>£ 519,600</u>

WPM SOLUTIONS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999

4. OPERATING PROFIT

	1999	1998
	£	£
Profit on ordinary activities is stated after charging:		
Auditors' remuneration		
Audit services	600	600
Non-audit services	400	400
Depreciation and amortisation		
Tangible assets: owned	16,325	17,439
Staff costs (note 5)	460,911	371,290
	<u> </u>	<u> </u>
and after crediting:		
Other operating income	-	1,905
	<u> </u>	<u> </u>

5. DIRECTORS AND EMPLOYEES

Particulars of employees (including directors) are shown below:

Employee costs during the year amounted to:	1999	1998
	£	£
Wages and salaries	451,245	364,170
Other pension costs	9,666	7,120
	<u> </u>	<u> </u>
	£ 460,911	£ 371,290
	<u> </u>	<u> </u>

The average weekly numbers of employees during the year were as follows:

	1999	1998
	No.	No.
Management and administration	25	18
	<u> </u>	<u> </u>

Details of directors' emoluments are:

	1999	1998
	£	£
Aggregate emoluments including benefits	103,420	100,603
Pension contributions to money purchase schemes	-	7,120
	<u> </u>	<u> </u>
	103,420	107,723
	<u> </u>	<u> </u>
Number of directors in year	6	2
	<u> </u>	<u> </u>

Pension contributions are paid to money purchase schemes on behalf of three directors.

WPM SOLUTIONS LIMITED
 NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 1999

6. INTEREST PAYABLE AND SIMILAR CHARGES	1999	1998
	£	£
On bank loans, overdrafts and other loans Repayable within five years, not by instalments	£ 7,583	£ 3,726
	<u> </u>	<u> </u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES	1999	1998
	£	£
Corporation tax at 21%	£ 8,050	£ 15,806
	<u> </u>	<u> </u>

8. TANGIBLE FIXED ASSETS				
	Fixtures & Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 April 1998	20,555	39,747	32,033	92,335
Additions	1,939	16,579	11	18,529
Disposals	-	-	(6,800)	(6,800)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 1999	22,494	56,326	25,244	104,064
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 April 1998	6,285	18,740	9,657	34,682
Disposals	-	-	(2,311)	(2,311)
For the year	3,195	7,881	5,249	16,325
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 1999	9,480	26,621	12,595	48,696
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Amounts				
At 31 March 1999	£ 13,014	£ 29,705	£ 12,649	£ 55,368
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 1998	£ 14,270	£ 21,007	£ 22,376	£ 57,653
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The net book value of motor vehicles above includes £12,649 (1998: £16,851) attributable to assets held under hire purchase contracts. The depreciation charged in the year on those assets was £5,249 (1998: £5,617).

WPM SOLUTIONS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999

9. STOCK	1999	1998
	£	£
Stock comprises:		
Stock of corporate brochures	£ 4,000	£ 12,405

10. DEBTORS	1999	1998
	£	£
Trade debtors	274,327	95,172
Other debtors	1,340	-
Prepayments	18,020	26,827
	<u>£ 293,687</u>	<u>£ 121,999</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1999	1998
	£	£
Loans	30,000	-
Hire purchase	3,511	4,900
UK corporation tax	6,810	15,630
Social security and other taxes	62,819	37,495
C. M. Weatherstone	-	15,000
Trade creditors	25,265	20,380
Other creditors	1,690	5,102
Accruals	7,770	9,108
Deferred income	26,380	10,060
Bank Overdraft	88,608	10,311
	<u>£ 252,853</u>	<u>£ 127,986</u>

The company has granted a fixed charge over its book debts and a floating charge on all its over assets to secure bank overdraft facilities of £130,000 (1998 -£100,000).

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	1999	1998
	£	£
Hire purchase agreements	£ 7,294	£ 1,676

WPM SOLUTIONS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999

13. CALLED UP SHARE CAPITAL	1999	1998
	£	£
Authorised:		
1000 Ordinary shares of £1 each	£ 1,000	£ 1,000
	<u> </u>	<u> </u>
Allotted, issued and fully paid:		
1000 Ordinary shares of £1 each	£ 1,000	£ 1,000
	<u> </u>	<u> </u>

14. RESERVES

	Profit & loss account
	£
At 1 April 1998	61,395
Profit for the year	30,513
	<u> </u>
At 31 March 1999	£ 91,908
	<u> </u>

15. LEASE COMMITMENTS

The company has entered into non-cancellable leases the payments for which extend over a period of up to 3 years.

The minimum annual rentals under the leases are as follows:

	1999	1998
	£	£
Land and buildings		
- within 1 year	13,000	13,000
- within 2 - 5 years	26,000	-
	<u> </u>	<u> </u>
	39,000	13,000
	<u> </u>	<u> </u>
Motor vehicles		
- within 1 year	47,635	29,165
- within 2 - 5 years	41,227	32,652
	<u> </u>	<u> </u>
	88,862	£ 61,817
	<u> </u>	<u> </u>

**WPM SOLUTIONS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 1999**

16. RELATED PARTY TRANSACTIONS

During the year the Company purchased training courses to a value of £5,185 (1998:£4,566) from WPM Training Limited which is under the control of Mr. C. M. Weatherstone. The transactions were in the ordinary course of business. The Company sold services to WPM Training Limited in the ordinary course of business to a value of £13,500.