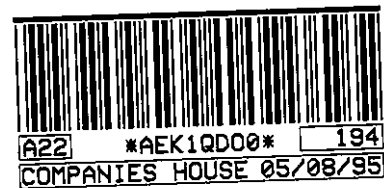


DATA SHRED LIMITED

COMPANY NO: 01593737

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1994



MOUNTSIDES

Accountants
2 Mountside
Stanmore
Middlesex HA7 2DT

DATA SHRED LIMITED

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ACCOUNTANTS' REPORT**TO THE SHAREHOLDERS OF DATA SHRED LIMITED****FOR THE YEAR ENDED 31ST OCTOBER 1994**

We have examined, without carrying out an audit, the accounts for the year ended 31st October 1994.

Respective Responsibilities of Directors and Reporting Accountants

As described on pages 3 and 4, the company's directors are responsible for the preparation of accounts, and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the shareholders.

Basis of Opinion

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Opinion

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an Audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

.....Mountsides.....
MOUNTSIDES
Accountants

2 MOUNTSIDE
STANMORE
MIDDLESEX HA7 2DT

Dated this 20th Day of June 1995

DATA SHRED LIMITEDBALANCE SHEETAS AT 31ST OCTOBER 1994Abbreviated in Accordance with the Provisions of the Companies Act 1985.

	<u>Notes</u>	<u>1994 (£)</u>	<u>1993 (£)</u>
Fixed Assets			
Tangible Assets	3	-	4078
Current Assets			
Stock		4500	1730
Debtors		23703	19274
Cash at Bank and in Hand		9382	10944
		<hr/>	<hr/>
		37585	31948
CREDITORS: Amounts falling due within one year		33030	(34587)
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		4555	(2639)
		<hr/>	<hr/>
Total Assets Less Current Liabilities		4555	1439
		=====	=====
Capital and Reserves			
Called up share capital	4	100	100
Profit and Loss Account		4455	1339
		<hr/>	<hr/>
Shareholders' Funds		4555	1439
		=====	=====

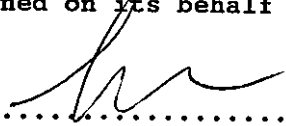
DATA SHRED LIMITEDBALANCE SHEETAS AT 31ST OCTOBER 1994

The Directors consider that the company is entitled to exemption from the requirements to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company at 31st October 1994 and of its profit for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the Company.

In preparing these accounts the directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the basis that, in their opinion, the company satisfies the criteria for exemption as a small company.

Approved by the Board on the 20th Day of June 1995

signed on its behalf


.....
Ms L Crawford - Director

The notes on pages 4 to 6 form an integral part of these abbreviated accounts.

DATA SHRED LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31ST OCTOBER 1994****1. Accounting Policies****a) Basis of Accounting**

The financial statements are prepared in accordance with applicable accounting standards under the historical cost convention and include the results of the activities as described in the Directors' Report, all of which are continuing.

b) Turnover

Turnover comprises of the invoiced value of sales , net of Value Added Tax and trade discounts.

c) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost 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:

Furniture, Fittings,	
Plant and Machinery	12.5% per annum on cost
Motor Vehicles	25% per annum on cost

d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

e) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

f) Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

DATA SHRED LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31ST OCTOBER 1994****g) Pension Costs**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately to those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund.

h) 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 reasonable probability that a liability or asset will crystallise in the near future.

i) Cash Flow Statement

The company is entitled to produce financial statements, excluding a cash flow statement, since it qualifies as a 'small company' under Sections 246 and 247 of the Companies Act 1985.

2 Turnover

The whole of the turnover and profit before taxation is attributable to that of security shredders of confidential data and the sale of scrap paper. A geographical analysis of turnover is as follows:

	<u>1994 (£)</u>	<u>1993 (£)</u>
United Kingdom	280829	282694
	=====	=====

3 Tangible Fixed Assets

	<u>Furniture, Fittings, Plant & Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
Cost			
As at 1.11.93	45846	22944	68790
Additions	1043	-	1043
	-----	-----	-----
As at 31.10.94	46889	22944	69833
Depreciation			
As at 1.11.93	43694	21018	64712
Charge for the Year	3195	1926	5121
	-----	-----	-----
As at 31.10.94	46889	22944	69833
Net Book Value			
As at 31.10.94	-	-	-
	=====	=====	=====
As at 31.10.93	2152	1926	4078
	=====	=====	=====

DATA SHRED LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 31ST OCTOBER 1994

4	Called Up Share Capital	<u>1994</u>	<u>1993</u>
	Authorised		
	100 Ordinary Shares of £1 each	100	100
		===	===
	Allotted, called up and fully paid		
	100 Ordinary Shares of £1 each	100	100
		===	===