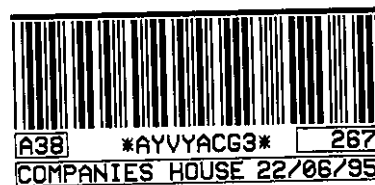


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CIC SOFTWARE LTD

26 High Street, Merstham
Redhill, Surrey

FINANCIAL STATEMENTS FOR THE YEAR END
31ST DECEMBER 1994
FOR
CIC SOFTWARE LIMITED



CIC SOFTWARE LIMITED

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CIC SOFTWARE LIMITED

COMPANY INFORMATION

DIRECTORS - B. Waddington

J.A. Bonner

SECRETARY -

REGISTERED OFFICE - 26 High Street
Merstham
Redhill
Surrey

REGISTERED NUMBER -

AUDITOR - J. McIntyre C.A.
Flat 1, - Edinburgh Place
Earls Avenue
Folkestone
Kent
CT20 2HP

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report together with the financial statements for the year ended 31st December 1994

FINANCIAL ACTIVITY

The principal activity of the company for the year under review was that of Computer Software and Hardware and Spare Parts.

STATEMENT OF DIRECTORS

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.

REVIEW OF BUSINESS

The results for the year and the financial position of the company are as shown in the annexed financial statements.

DIVIDENDS AND TRANSFER TO RESERVES

No dividends will be distributed for the year ended 31 December 1994. The retained losses transferred to reserves will be £13056.

DIRECTORS

The directors in office during the year and their beneficial interests in the issued share capital were as follows:

	<u>at 31.12.94</u>	<u>at 31.12.93</u>
B. Waddington	25040	25040
J.A. Bonner	-	-

CIC SOFTWARE LTD

DIRECTORS REPORT

(continued)

AUDITORS

The auditor, J. McIntyre C.A. will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

Secretary *R. E. Waddell*

Date: *1st May 1995*

Registered Office

26 High Street
Mertsham
Redhill Surrey

REPORT OF THE AUDITOR TO THE MEMBERS OF
C I C SOFTWARE LTD

I have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors.

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

Basis of opinion.

I conducted my 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements. I did not attend the stock take and, therefore, I am unable to independently confirm the quantities of stock valued in the Balance Sheet at £120977. I have therefore accepted assurances from the directors that these quantities were correct.

Opinion.

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



J. McIntyre
Registered Auditor

CIC SOFTWARE LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1994


	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
<u>TURNOVER</u>	2	54596 ⁰ _^	494969
Cost of Sales		<u>358000</u>	<u>316484</u>
		187906	
<u>GROSS PROFIT</u>			178485
Administrative expenses		190537	136699
Other Operating Charges		8757	8478
		<u>199289</u>	<u>145177</u>
		(11383)	33308
<u>OPERATING PROFIT</u>			
Interest received		-	
Interest Paid	5	6104	4786
		<u> </u>	<u> </u>
<u>PROFIT /LOSS BEFORE TAXATION</u>		<u>(17487)</u>	<u>28522</u>
<u>TAXATION</u>	6	4431	5542
		<u>(13056)</u>	<u>2298</u>
 RETAINED PROFITS B/FWD		 22033	 (947)
 <u>BALANCE CARRIED F'WD</u>		 <u>8977</u>	 <u>22033</u>

The notes form part of these financial statements.

C I C SOFTWARE LTD
BALANCE SHEET
AS AT 31ST DECEMBER 1994

		<u>1994</u>		<u>1993</u>	
<u>FIXED ASSETS</u>	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Tangible assets	7		72896		68165
<u>CURRENT ASSETS</u>					
Stocks & Work in Progress	8	138477		127849	
Debtors	9	27688		55833	
Cash in hand				-	
		<u>166165</u>		<u>183682</u>	
<u>CREDITORS : Amounts falling</u>	10	138312		148380	
<u>due within one year</u>					
<u>After one Year</u>	11	<u>66692</u>		<u>56357</u>	
		205004		204737	
<u>NET CURRENT ASSETS/</u>					
<u>(LIABILITIES)</u>			(38839)		(21055)
<u>TOTAL ASSETS LESS</u>					
<u>CURRENT LIABILITIES</u>			<u>34057</u>		<u>47113</u>
<u>CAPITAL AND RESERVES</u>					
Called up share capital	12		25080		25,080
Profit and loss account			<u>8977</u>		<u>22033</u>
			<u>34057</u>		<u>47113</u>

The financial statements were approved on *1st Mar 1995*



.....
B WADDINGTON
Director

The notes form part of these financial statements.

C I C SOFTWARE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

The accounting policies adopted by the company are as detailed below :

a) Accounting Convention

The financial statements are prepared under the approved auditing standards.

b) Depreciation

Depreciation is calculated at rates calculated to write off the cost of each asset over its expected useful life as follows :

Motor Vehicles	- 25% reducing balance
Furniture and Equipment	- 15% reducing balance

c) Stock

Stock is valued at the lower of cost and net realisable value.

2. TURNOVER

a) Turnover represents the invoiced value of goods sold and services provided, net of value added tax.

b) The turnover and pre-tax profit is attributable to one activity, that of the supply of computer hardware and software together with suitable parts, accessories and peripheral equipment, and is receivable from the United Kingdom.

3. OPERATING PROFIT

	<u>1994</u>	<u>1993</u>
	£	£
Operating profit is stated after charging :		
Directors' remuneration	36120	33600
Auditors' remuneration	1200	1300
Depreciation of tangible fixed assets	5704	4490
Staff costs (note 4)	50152	29879
	=====	=====

C I C SOFTWARE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1994
(Continued)

4. **STAFF COSTS**

	<u>1994</u>	<u>1993</u>
Wages and salaries	43346	26115
Other pension costs	6806	3764
	<u>50152</u>	<u>29879</u>
	=====	=====

5. **INTEREST PAYABLE**

	<u>1994</u>	<u>1993</u>
	£	£
Bank loans, overdrafts and other loans	6104	4786

C I C SOFTWARE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1994

(Continued)

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1994</u>	<u>1993</u>
	£	£
Provision for corporation tax based on profit for the year at 25%	(4431)	5542

8. TANGIBLE FIXED ASSETS

	<u>Property Improvements</u>	<u>Motor Vehicles</u>	<u>Furniture Equipment</u>	<u>Total</u>
<u>Cost</u>	£	£	£	£
At 31st December 1993	51196	35443	20374	107013
Additions	-	6410	4022	10432
At The 31 December 93	51196	41853	24396	117445
<u>Depreciation</u>				
At 31st December 1992	-	25917	12928	38845
Charge for year	-	3984	1720	5704
At 31st December 1992	-	29901	14648	44549
<u>Net book value</u>				
At 31st December 1994	51196	11952	9748	72896
At 31st December 1993	51196	9526	7446	68168

9. STOCK

	<u>1994</u>	<u>1993</u>
	£	£
Stock	120977	122849
Work in progress	17500	5000
	<u>138477</u>	<u>127849</u>

10. DEBTORS

	<u>1994</u>	<u>1993</u>
	£	£
Trade debtors	24314	54331
Other debtors *	-	-
Prepayments and accrued income	3374	1502
	<u>27688</u>	<u>55833</u>

11. CREDITORS - amounts falling due within one year :

	<u>1994</u>	<u>1993</u>
	£	£
Bank Overdraft	56726	29119
Trade creditors	30218	62810
Bank Loan	6000	4000
Corporation tax payable		5542
Other taxes and social security	2472	3537
Directors Loan Accounts	10429	12325
Other creditors	30156	21488
Accruals and deferred	1200	9559

CORPERATION TAX

<u>137201</u>	<u>142838</u>
<u>1111</u>	<u>5542</u>
<u>138312</u>	<u>148380</u>

12. CREDITORS - amounts falling due after one year :

	<u>1994</u>	<u>1993</u>
	£	£
Long term loans :		
Bank loan	16000	24000
Loan from company's Executive Pension Plan	33430	16786
Hire purchase		
Other Creditors	17262	15571
	<u>66692</u>	<u>56357</u>

C I C SOFTWARE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1994
(continued)

13. <u>SHARE CAPITAL</u>	<u>1994</u>		<u>1993</u>	
	<u>Number</u>	<u>£</u>	<u>Number</u>	<u>£</u>
<u>Authorised</u> Ordinary shares of £1 each	50,000 =====	50,000 =====	50,000 =====	50,000 =====
<u>Allotted, Called up and Fully paid</u> Ordinary shares of £1 each	25,080 =====	25,080 =====	25,080 =====	25,080 =====

14. <u>CAPITAL COMMITMENTS</u>	1994	1993
Expenditure contracted for :	£ Nil =====	£ Nil =====
Authorised by the directors but not yet contracted for :	£ Nil =====	£ Nil =====

15. CLOSE COMPANY

C I C (Software) Ltd is a "Close Company" as defined by the Income and Corporation Taxes Act 1988.

C I C SOFTWARE LTD

CORPORATION TAX COMPUTATIONS

Loss per Accounts - year ended 31.12.94	17,487
Less: Depreciation	5,704
	<u>11,783</u>
<u>add - Capital Allowances</u>	<u>5,940</u>
<u>Taxable Loss</u>	<u>17,723</u>
Corporation Tax claim @ 25% =	4,430.75

CAPITAL ALLOWANCES

	Motor Vehicle	Plant & Equipment	Allowances
WDV B/FWD	7703	5624	
Additions	6410	4022	
	<u>14113</u>	<u>9646</u>	
Allowances-WDA	3528	2412	5940
WDV c/fwd	<u>10585</u>	<u>7234</u>	

DIRECTORS REMUNERATION

B.WADDINGTON	18060
J.A.BONNER	<u>18060</u>
	36120