

ELITE SYSTEMS LIMITED

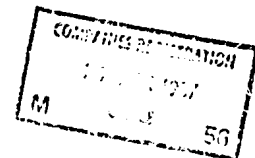
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STATEMENT OF MODIFIED ACCOUNTS

Year ended 31st JULY 1995



* SADLER & CO * Chartered Accountants * Birmingham *

ELITE SYSTEMS LIMITED

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BALANCE SHEET

31st. JULY 1986

	Note	1986	1985
<u>FIXED ASSETS</u>			
Tangible Assets	1	47927	17492
<u>CURRENT ASSETS</u>			
Stocks		30691	2483
Debtors	3	449081	125878
Cash at Bank and in hand		64436	128589
		543208	256950
<u>CREDITORS</u>			
amounts falling due within one year	4	401933	201575
<u>NET CURRENT ASSETS</u>			
		141275	55375
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		189202	72867
<u>CREDITORS</u>			
Provisions for liabilities and charges	5	1000	1000
<u>NET ASSETS</u>			
		188202	71867
<u>CAPITAL AND RESERVES</u>			
Called-up Share Capital	6	10000	2
Profit and Loss Account		178202	71865
		188202	71867

S.R. Wilcox 1
1 Directors
B.R. Wilcox 1

S.R. Wilcox
B.R. Wilcox

In preparing these modified accounts :

(a) we have relied upon Sections 247 to 249 of the Companies Act 1985 which allow us to deliver modified accounts.

(b) we have done so on the grounds that the Company is entitled to the benefit of those sections as a small company.

ELITE SYSTEMS LIMITED

NOTES ON THE ACCOUNTS

31st. JULY 1986

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1. TANGIBLE FIXED ASSETS

	Computer Equipment	Fixtures & Fittings	Motor Vehicles	TOTALS
COST :				
31st. July 1985	3086	7973	11162	23022
Additions	21269	12417	25532	59218
Disposals	(10247)	(300)	-	(11147)
31st. July 1986	14308	20090	36695	71093
DEPRECIATION :				
31st. July 1985	1945	797	2790	5530
This Year	7154	2008	8474	17636
31st. July 1986	9097	2805	11264	23166
NET - 1986	5211	17285	25431	47927

2. ACCOUNTING POLICIES

(a) Basis of Accounting: The Accounts have been prepared on an historical cost basis. All amounts are shown in pounds sterling.

(b) Depreciation: The following rates have been applied :

Motor Vehicles - 25% on book value
Computer Equipment - 50% on cost
Fixtures & Fittings - 10% on cost

(c) Stocks : These have been valued at the lower of cost and net realisable values.

(d) Deferred Taxation : The provision has been calculated on the liability method representing the excess of capital allowances for tax purposes over depreciation to date on the original cost of the assets acquired.

(continued)

ELITE SYSTEMS LIMITED

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NOTES ON THE ACCOUNTS (continued)

31st JULY 1986

	<u>1986</u>	<u>1985</u>
3. DEBTORS (due within one year)		
Trade Debtors	304984	123584
Prepayments	131009	615
Value Added Tax	12088	1679
	<u>448081</u>	<u>125878</u>
4. CREDITORS (due within one year)		
Bank Overdraft	-	50717
Trade Creditors	309182	116483
Taxation and Social Security	1922	4375
Corporation Tax	90500	30000
Directors Current Account	329	-
	<u>401933</u>	<u>201575</u>
5. PROVISIONS FOR LIABILITIES		
Deferred Taxation		
Balance brought forward	1000	-
Amount deferred in current year	-	1000
Balance carried forward	<u>1000</u>	<u>1000</u>
6. SHARE CAPITAL		
Ordinary Shares of £1. each		
Authorised	100000	100
Issued and Fully Paid	10000	2

REPORT OF THE AUDITORS

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TO THE DIRECTORS OF

ELITE SYSTEMS LIMITED

Accounts for the year ended 31st. JULY 1986

As auditors of the Company, on 5th. November 1986 we reported under Section 236 of the Companies Act 1985 on the accounts prepared under Section 241 of the Companies Act 1985 as follows:-

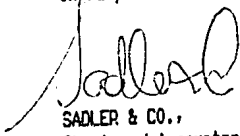
"We have audited the financial statements on pages 2 to 7. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation, the company's system of control is dependent upon the close involvement of the directors who are major shareholders. Where independent confirmation of the completeness of the accounting records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the financial statements which have been prepared under the historical cost convention give a true and fair view of the state of the Company's affairs at 31st. July 1986 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985."

We have examined the modified accounts on pages 1 to 3 which have been properly prepared from the accounts of the company under Section 241 of the Companies Act 1985 for the year ended 31st. July 1986 in the manner permitted for a small company under Sections 247 to 249 of the Companies Act 1985.

In our opinion the Directors are entitled to deliver modified accounts in respect of the financial period as claimed in the Directors statement.


SADLER & CO.,
Chartered Accountants
Birmingham

21st. November 1986