

1865914

DROLE COMPUTING SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 1994



DROLE COMPUTING SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 1994

COMPANY INFORMATION

Directors:	C.J.Lester-Smith Mrs V.M.Lester-Smith
Secretary:	C.J.Lester-Smith
Company Number:	1865914
Registered Office:	Holcombe House London Road Sunningdale Berkshire
Registered Auditor:	S.S.Prayag, F.C.C.A. Morrish & Co. Charter House 177 Angel Road London, N18 3BW
Bankers:	Bank of Scotland

DROLE COMPUTING SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 1994

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year to 31 December 1994.

COMPANY NUMBER

The company registration number is 1865914.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal business activity which has remained unchanged during the year under review was that of the provision of computer consultancy services.

No significant change in activity is envisaged in the ensuing year.

RESULTS AND DIVIDENDS

The results for the period under review are set out on page 4.

FIXED ASSETS

Full disclosure of all matters relating to fixed assets are set out in note 8 of the financial statements.

DIRECTORS' AND THEIR INTERESTS

The directors who served during the year and their interests in the company at 1 January 1994 and 31 December 1994 are stated as below:

	<u>Class of share</u>	<u>Number of shares</u>
C.J.Lester-Smith	Ordinary shares	1
Mrs.V.M.Lester-Smith	Ordinary shares	-

cont'd.....

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and profit or loss of the company for that period. The directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;

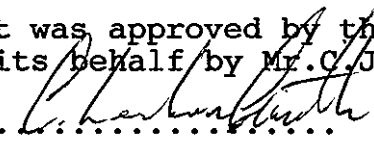
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985, they are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The company has by elective resolution under Section 386(1) of the Companies Act 1985 dispensed with the annual reappointment of the auditors. Mr.S.S.Prayag, F.C.C.A., registered auditor, of Morrish & Co. will be deemed to be reappointed for each succeeding financial year.

This report was approved by the Board on 23 June 1995 and signed on its behalf by Mr.C.J.Lester-Smith.

CHAIRMAN : ..


C.J.LESTER-SMITH

AUDITOR'S REPORT TO THE SHAREHOLDERS OF DROLE COMPUTING SERVICES LIMITED

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention and accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on pages 1 to 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an 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 the 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 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 misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we 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 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

REGISTERED AUDITOR



.....
S.S. PRAYAG, F.C.C.A.
MORRISH & CO.
CHARTER HOUSE
177 ANGEL ROAD
LONDON, N18 3BW

DATED: 23 June 1995

DROLE COMPUTING SERVICES LIMITEDPAGE 4PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 1994

	<u>Note</u>	<u>1993</u> £	<u>1994</u> £
TURNOVER	2	7109177	11529578
Less: Cost of Sales		6595611	10811805
		<hr/>	<hr/>
GROSS PROFIT		513566	717773
Less: Administrative Expenses		447497	636971
Interest Payable	3	17	-
		<hr/>	<hr/>
		66052	80802
Add: Other Operating Income	4	12452	17819
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE MANAGEMENT CHARGES		78504	98621
Less: Group Management Charges			166000
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	78504	(67379)
TAXATION	7	(20000)	17000
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		58504	(50379)
ACCUMULATED RESERVES brought forward		40345	98849
		<hr/>	<hr/>
ACCUMULATED RESERVES carried forward		98849	48470
		<hr/>	<hr/>

There were no recognised gains or losses other than the profit for the above financial period.

The notes on pages 7 to 9 form part of these financial statements.

DROLE COMPUTING SERVICES LIMITEDPAGE 5BALANCE SHEETAT 31ST DECEMBER 1994

	<u>Note</u>	<u>1993</u> £	<u>1994</u> £
FIXED ASSETS			
Tangible Assets	8	1770	1416
CURRENT ASSETS			
Debtors	9	318538	1118905
Cash at bank and in hand		749017	829772
		1067555	1948677
CREDITORS: Amounts falling due in less than one year	10	969476	1900623
NET CURRENT ASSETS		98079	48054
TOTAL ASSETS		99849	49470
CREDITORS: Amounts falling due in more than one year		-	-
NET ASSETS		99849	49470
Financed by:			
CAPITAL & RESERVES			
Share Capital	11	1000	1000
Profit and Loss Account		98849	48470
		99849	49470

The financial statements were approved by the Board on 23 June 1995 and signed on its behalf by the two directors:

DIRECTOR: ..  ..DIRECTOR: ..  ..

The notes on pages 7 to 9 form part of these financial statements.

STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31ST DECEMBER 1994

	<u>1993</u> £	<u>1994</u> £
SOURCE OF FUNDS		
(Loss)/Profit on Ordinary Activities after Taxation	58504	(50379)
Adjustment for items not involving the movement of Funds:		
Depreciation	445	354
	<hr/>	<hr/>
FUNDS (CONSUMED)/GENERATED BY OPERATIONS	58949	(50025)
	<hr/>	<hr/>
MOVEMENTS IN WORKING CAPITAL		
Movement in Debtors	(51654)	800367
Movement in Creditors	(328621)	(931147)
	<hr/>	<hr/>
	(380275)	(130780)
Movement in net liquid funds:		
Increase in cash at bank	439224	80755
	<hr/>	<hr/>
	58949	(50025)
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST DECEMBER 19941. ACCOUNTING POLICIES

The principal accounting policies of the company are set out below.

The accounts are prepared under the historical cost convention

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Fixtures & Equipment- 15% per annum on written down value
Computer Equipment - 20% per annum on written down value

2. TURNOVER

Turnover represents amounts invoiced to customers during the period net of Value Added Tax.

3. INTEREST PAYABLE

	<u>1993</u>	<u>1994</u>
	£	£
Bank Interest	17	-
	<hr/>	<hr/>
	17	-
	<hr/>	<hr/>

4. OTHER OPERATING INCOME

Bank Deposit Interest	12452	17819
	<hr/>	<hr/>
	12452	17819
	<hr/>	<hr/>

5. PROFIT ON ORDINARY ACTIVITIES
is stated after accounting for:

Auditors remuneration	1080	1180
Depreciation	445	354

NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST DECEMBER 19946. STAFF COSTS

	<u>1993</u> £	<u>1994</u> £
Wages and Salaries	2776372	6355960
Social Security Costs	261018	585193
	<hr/> 3037390	<hr/> 6941153

7. TAXATION

U.K. corporation tax based on the profit for the year at 25%	(20000)	17000
	<hr/> (20000)	<hr/> 17000

8. TANGIBLE FIXED ASSETS

	<u>Fixtures & Equip.</u> £	<u>Computer Equipment</u> £	<u>Total</u> £
<u>COST</u>			
At 1.1.1994 & 31.12.94	256	10422	10678
<u>DEPRECIATION</u>			
At 1.1.1994	242	8666	8908
Charge for year	2	352	354
	<hr/> 244	<hr/> 9018	<hr/> 9262
<u>NET BOOK VALUE 31.12.93</u>	14	1756	1770
<u>NET BOOK VALUE 31.12.94</u>	<hr/> 12	<hr/> 1404	<hr/> 1416

NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST DECEMBER 1994

	<u>1993</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
9. <u>DEBTORS</u>		
Trade Debtors	318538	838905
Inter-group debtors	-	280000
	<hr/>	<hr/>
	318538	1118905
	<hr/>	<hr/>
10. <u>CREDITORS: Amounts falling due</u> <u>within one year</u>		
Trade Creditors	215893	483080
Amounts owed to group companies	89900	-
Corporation Tax	20000	-
Other creditors including taxation and social security	529472	775524
Accruals	114211	642019
	<hr/>	<hr/>
	969476	1900623
	<hr/>	<hr/>
11. <u>SHARE CAPITAL</u>		
	<u>Authorised</u>	
	<u>1993</u>	<u>1994</u>
	<u>No.</u>	<u>No.</u>
	<u>1993</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Ordinary Shares of £1 each	1000	1000
	<hr/>	<hr/>
12. <u>HOLDING COMPANY</u>		

The ultimate holding company is Delarue Charterhouse Group Holdings Limited, a company incorporated in the U.K.