

16-008-92

Register's copy

ELAN COMPUTING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1991

Allen
Baldry

COMPANY NUMBER: 2114287

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ELAN COMPUTING LIMITED
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FOR THE YEAR ENDED 31ST AUGUST 1991

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ELAN COMPUTING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST AUGUST 1991.

Directors

S Anthony
P Anthony
A Derx
J Haydock

Secretary

A Derx

Registered Office

Prudential Buildings, Epsom Road, Guildford, Surrey GU1 3JW.

The directors present their annual report, together with the audited financial statements of the company and consolidated financial statements of the group for the year ended 31st August 1991.

During the year Elan Computing Limited purchased the entire share capital of Bell Software Systems Limited and Bell Software Services Limited both companies were incorporated in England.

RESULTS AND DIVIDENDS

The group results for the year ended 31st August 1991 are set out in the consolidated profit and loss account on page 4.

The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The principal activity of the company and the group in the year under review was that of employment agents for the computer industry.

The directors consider the results achieved on ordinary activities before taxation to be satisfactory.

In the opinion of the directors adequate finance is available to take advantage of business opportunities and future business developments. The directors consider the state of affairs to be satisfactory.

DIRECTORS AND THEIR INTERESTS

The following were the beneficial interests of the directors in the issued ordinary share capital of the company :-

	<u>31st August 1991</u>	<u>31st August 1990</u>
S Anthony	18,631	18,631
P Anthony	16,828	16,828
A Derx	18,631	18,631
J Haydock	6,010	6,010

The directors had no beneficial interest in the issued share capital of the company.

There have been no changes in the Board of Directors during the period.

Both directors retire in accordance with the Articles of Association and offer themselves for re-election.

In accordance with the Articles of Association A Derx and J Haydock retire by rotation and offer themselves for re-election.

ELAN COMPUTING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST AUGUST 1991
(Continued)

FIXED ASSETS

The movements in fixed assets during the year are set out in notes 9 to 10 to the accounts.

AUDITORS


In accordance with the provisions of Section 384 of the Companies Act 1985, Messrs. Allen Baldry have indicated their willingness to be re-appointed as auditors of the company.

9TH MARCH 1992

By Order of the Board


A DERX

Secretary

Allen
Baldry


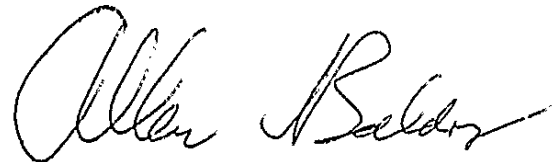
ELAN COMPUTING LIMITED
REPORT OF THE AUDITORS' TO THE MEMBERS
FOR THE YEAR ENDED 31ST AUGUST 1991

We have audited the financial statements set out on pages 4 to 18 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31st August 1991 and of its result and the source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

9TH MARCH 1992

Prudential Buildings
Guildford Surrey GU1 3JW



ALLEN BALDRY
CHARTERED ACCOUNTANTS

Allen Baldry
ab

ELAN COMPUTING LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 1991

	<u>Notes</u>	<u>1991</u>	<u>1990</u>
		£	£
TURNOVER	2	10,066,817	8,313,911
Change in stocks and work in progress		217,785	211,692
		<u>10,284,602</u>	<u>8,525,603</u>
Staff costs		867,286	575,835
Depreciation of tangible fixed assets		57,316	41,973
Other operating charges		<u>9,031,612</u>	<u>7,511,709</u>
		<u>9,956,214</u>	<u>8,129,517</u>
OPERATING PROFIT	3	328,388	396,086
Profit on disposal of investment		337	-
Other income			
Interest receivable	5	1,022	8
Interest payable	6	(26,341)	(7,878)
Exchange losses		<u>(1,678)</u>	<u>-</u>
		<u>(26,660)</u>	<u>(7,870)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		301,728	388,216
TAXATION	7	<u>107,959</u>	<u>152,743</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		193,769	235,473
Minority interests		<u>2,127</u>	<u>(3,649)</u>
PROFIT ON ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		191,642	239,122
Dividends	8	-	105,000
RETAINED PROFIT FOR THE YEAR (of which £191,973 (1990 - £161,489) was dealt with in the accounts of the Holding Company)		<u>£ 191,642</u>	<u>£ 134,122</u>

The notes on pages 8 to 18 form part of these accounts.

ELAN COMPUTING LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31ST AUGUST 1991

	<u>Notes</u>	<u>1991</u>	<u>1990</u>
		£	£
FIXED ASSETS			
Tangible assets	9	208,270	135,116
Investments	11	20,000	-
		<u>228,270</u>	<u>135,116</u>
CURRENT ASSETS			
Stocks	12	774,542	531,042
Debtors	13	786,777	669,803
Cash at bank and in hand		43,583	1,780
		<u>1,604,902</u>	<u>1,202,625</u>
CREDITORS - amounts falling due within one year	14	(1,261,511)	(930,676)
NET CURRENT ASSETS		<u>343,391</u>	<u>271,949</u>
ASSETS LESS CURRENT LIABILITIES		<u>571,661</u>	<u>407,065</u>
CREDITORS - amounts falling due after more than one year	15	(131,016)	(518)
NET ASSETS		<u><u>£440,645</u></u>	<u><u>£406,547</u></u>

Financed by:

CAPITAL AND RESERVES

Called up share capital	18	60,100	60,100
Profit and loss account	19	377,067	348,096
Minority interests		3,478	(1,649)
		<u><u>£440,645</u></u>	<u><u>£406,547</u></u>

Approved by the Directors on 9TH MARCH 1992 and signed on behalf of the Board by:

S. Anthony

A. DERX

Directors

The notes on pages 8 to 18 form part of these accounts.

ELAN COMPUTING LIMITED

BALANCE SHEET

AS AT 31ST AUGUST 1991

	<u>Notes</u>	<u>1991</u>	<u>1990</u>
		£	£
FIXED ASSETS			
Tangible assets	10	116,230	111,150
Investments	11	58,712	75
		<u>174,942</u>	<u>111,225</u>
CURRENT ASSETS			
Stocks	12	746,841	531,042
Debtors	13	864,984	718,908
Cash at bank and in hand		39,090	-
		<u>1,650,915</u>	<u>1,249,950</u>
CREDITORS - amounts falling due within one year	14	<u>(1,198,322)</u>	<u>(925,094)</u>
NET CURRENT ASSETS		<u>452,593</u>	<u>324,856</u>
ASSETS LESS CURRENT LIABILITIES		<u>627,535</u>	<u>436,081</u>
CREDITORS - amounts falling due after more than one year	15	-	(518)
NET ASSETS		<u><u>£627,535</u></u>	<u><u>£435,563</u></u>

Financed by:

CAPITAL AND RESERVES

Called up share capital	18	60,100	60,100
Profit and loss account		567,435	375,463
		<u>£627,535</u>	<u>£435,563</u>

Approved by the Directors on 9TH MARCH 1992 and signed on behalf of the Board by:

X *S. Anthony*
S ANTHONY

X A DERX *awley*

} Directors

The notes on pages 8 to 18 form part of these accounts.

ELAN COMPUTING LIMITED
CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST AUGUST 1991

	<u>1991</u>	<u>1990</u>
	£	£
SOURCE OF FUNDS		
Funds generated from operations:		
Profit on ordinary activities before taxation	301,728	388,216
Adjustment for items not involving the movement of funds:		
Depreciation	57,316	41,973
Adjustment on disposal of:		
fixed assets	(671)	8,419
investments	(337)	-
Total generated from operations	<u>358,036</u>	<u>438,608</u>
Funds from other sources:		
Sale of fixed assets	6,056	8,414
Sale of investments	337	-
Increase in share capital	-	60,000
Sale of shares to minority	3,000	2,000
Increase in other loans	125,070	43,500
Increase in hire purchase loans	43,448	-
	<u>177,911</u>	<u>113,914</u>
	<u>535,947</u>	<u>552,522</u>
APPLICATION OF FUNDS		
Purchase of fixed assets	135,855	124,175
Purchase of investments	20,000	-
Repayment of other loans	2,873	-
Repayment of hire purchase loans	36,612	11,683
Taxation paid	143,574	101,556
Dividends paid	-	105,000
Goodwill purchased	162,671	-
	<u>(501,585)</u>	<u>(342,414)</u>
MOVEMENT IN FUNDS	<u>£ 34,362</u>	<u>£ 210,108</u>
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stocks	243,500	211,692
Debtors	116,974	332,215
Creditors	(298,470)	(188,846)
Cash at bank and in hand	41,803	1,780
Bank overdraft	(69,445)	(146,733)
	<u>£ 34,362</u>	<u>£ 210,108</u>

Allen Baldry
ab

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention.

1.2 Turnover

This represents the invoiced amounts of services provided, net of value added tax.

1.3 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold building:	- evenly over the period of the lease
Fixtures and fittings:	10% - 15% per annum on cost
Computer equipment :	25% per annum on cost
Motor vehicles:	- 25% per annum on written down value/cost

1.4 Work in Progress

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

1.5 Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

1.6 Consolidation

The consolidated accounts incorporate the accounts of the company and of each of its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the profit and loss account from or up to the effective date of acquisition or disposal of the controlling interest in the subsidiary.

1.7 Group accounts

The company has taken advantage of S228 of the Companies Act 1985 and does not present its own profit and loss account.

1.8 Hire purchase and finance lease contracts

Assets acquired under hire purchase and finance lease contracts are capitalised at their fair value and the equivalent liability shown in creditors. Finance charges are allocated to accounting periods over the period of the contract to produce a constant rate of charge on the outstanding balance. Repayments are allocated between finance charges and a reduction of the liability.

1.9 Foreign Currency

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. Balances on foreign currency bank accounts are translated into sterling at the rate of exchange ruling at the year end.

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

2. TURNOVER

An analysis of turnover by geographical market is given below:

	<u>1991</u>	<u>1990</u>
	£	£
United Kingdom	9,767,343	8,313,911
European Economic Community	299,474	-
	<u>£10,066,817</u>	<u>£8,313,911</u>

3. OPERATING PROFIT

This is stated after charging (crediting):

	<u>1991</u>	<u>1990</u>
	£	£
Staff costs (see note 4)	808,075	575,835
Auditors' remuneration	4,000	4,000
Depreciation	42,925	41,973
Loss on disposal of fixed assets	(671)	8,419
Hire of equipment	1,632	3,583
	<u>1,632</u>	<u>3,583</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

4. EMPLOYEE INFORMATION

4.1 Staff costs:	<u>1991</u>	<u>1990</u>
	£	£
Wages and salaries	721,634	480,990
Social security costs	63,924	47,586
Other pension costs	22,517	47,259
	<u>£808,075</u>	<u>£575,835</u>

4.2 The average weekly number of employees during the year was made up as follows:	No.	No.
Office and management	6	6
Sales	17	13
	<u>23</u>	<u>19</u>

4.3 Directors' emoluments:

The directors' emoluments, the remuneration of which is included above amounted to:

	<u>1991</u>	<u>1990</u>
	£	£
Fees and salaries	308,884	233,287
Benefits in kind	7,161	7,788
	<u>£316,045</u>	<u>£241,075</u>

Further details, excluding pension contributions:

Highest paid director	<u>£122,100</u>	<u>£ 87,393</u>
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Other directors' emoluments fell within the following ranges:

	No.	No.
£25,001 - £30,000	-	1
£45,001 - £50,000	1	1
£70,001 - £75,000	2	-
£75,001 - £80,000	-	1

ELAN COMPUTING LIMITEDNOTES TO THE ACCOUNTS - continued31ST AUGUST 1991

5. INTEREST RECEIVABLE	<u>1991</u>	<u>1990</u>
	£	£
interest received	543	-
Other interest	479	8
	<u>£1,022</u>	<u>£ 8</u>
6. INTEREST PAYABLE	<u>1991</u>	<u>1990</u>
	£	£
On bank loans, overdrafts and other loans		
-repayable within 5 years, not by instalments	9,602	5,222
-repayable within 5 years, by instalments	13,484	-
Hire purchase charges	2,958	2,656
Other interest	297	-
	<u>£26,341</u>	<u>£ 7,878</u>
7. TAXATION		
7.1 The group tax charge on the Profit on ordinary activities for the year was as follows:	<u>1991</u>	<u>1990</u>
	£	£
U.K corporation tax at 33.6% (1990 -32.6%)	106,743	142,356
	<u>106,743</u>	<u>142,356</u>
Adjustment in respect of previous years:		
Corporation tax	1,216	10,387
	<u>£107,959</u>	<u>£152,743</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

8. DIVIDENDS

	<u>1991</u>	<u>1990</u>
	£	£
Interim dividend paid:		
£ per share (1990 £1,050 per share)	-	105,000
	<u> </u>	<u> </u>
	£ -	£105,000
	<u> </u>	<u> </u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

9. TANGIBLE FIXED ASSETS-GROUP

	<u>Land and buildings</u>	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost:					
At 1st September 1990	4,963	28,088	87,847	87,135	208,033
Additions	-	9,813	42,957	24,100	76,870
Disposals	-	-	(9,189)	-	(9,189)
Arising on acquisition of subsidiary undertakings	-	23,608	-	35,377	58,985
At 31st August 1991	<u>£ 4,963</u>	<u>£ 61,509</u>	<u>£ 121,615</u>	<u>£ 146,612</u>	<u>£ 334,699</u>
Depreciation:					
At 1st September 1990	2,978	3,259	31,412	35,268	72,917
Charge for year	1,985	4,720	30,405	20,206	57,316
Disposals	-	-	(3,804)	-	(3,804)
At 31st August 1991	<u>£ 4,963</u>	<u>£ 7,979</u>	<u>£ 58,013</u>	<u>£ 55,474</u>	<u>£ 126,429</u>
Net book value:					
At 31st August 1991	<u>£ -</u>	<u>£ 53,530</u>	<u>£ 63,602</u>	<u>£ 91,138</u>	<u>£ 208,270</u>
At 31st August 1990	<u>£ 1,985</u>	<u>£ 24,829</u>	<u>£ 56,435</u>	<u>£ 51,867</u>	<u>£ 135,116</u>

The net book values of land and buildings comprise:

	<u>1991</u>	<u>1990</u>
	£	£

Short leasehold	<u>-</u>	<u>1,985</u>
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Included above are the following assets held under hire purchase contracts:

Cost:		
At 31st August 1991	<u>£ 81,727</u>	<u>£ 81,727</u>
Accumulated depreciation:		
At 31st August 1991	<u>£ 43,210</u>	<u>£ 43,210</u>
Depreciation charged in the year	<u>£ 16,706</u>	<u>£ 16,706</u>
Net book value:		
At 31st August 1991	<u>£ 38,517</u>	<u>£ 38,517</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

10. TANGIBLE FIXED ASSETS-COMPANY

	<u>Fixtures and fittings</u>	<u>Computer equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st September 1990	21,313	82,565	74,651	178,529
Additions	7,554	36,636	9,200	53,390
Disposals	-	(1,189)	-	(9,189)
Other movements	23,608	-	35,377	58,985
	<u>£28,867</u>	<u>£110,012</u>	<u>£83,851</u>	<u>£222,730</u>
Depreciation:				
At 1st September 1990	2,921	30,751	33,707	67,379
Charge for year	2,886	27,504	12,535	42,925
Disposals	-	(3,804)	-	(3,804)
	<u>£ 5,807</u>	<u>£ 54,451</u>	<u>£46,242</u>	<u>£106,500</u>
Net book value:				
At 31st August 1991	<u>£23,060</u>	<u>£ 55,561</u>	<u>£37,609</u>	<u>£116,230</u>
At 31st August 1990	<u>£18,392</u>	<u>£ 51,814</u>	<u>£40,944</u>	<u>£111,150</u>

Included above are the following assets held under hire purchase contracts:

Cost:		
At 31st August 1991	<u>£45,842</u>	<u>£ 45,842</u>
Accumulated depreciation:		
At 31st August 1991	<u>£31,338</u>	<u>£ 31,338</u>
Depreciation charged in the year	<u>£ 4,834</u>	<u>£ 4,834</u>
Net book value:		
At 31st August 1991	<u>£14,504</u>	<u>£ 14,504</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

11. FIXED ASSET INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Investments in subsidiaries: Shares at cost less amounts written off	-	-	58,712	75
Investments in related companies: Shares at cost less amounts written off	20,000	-	-	-
	<u>20,000</u>	<u>-</u>	<u>58,712</u>	<u>75</u>

Subsidiaries:

The company has investments in the following companies:

<u>Name</u>	<u>Holding</u>	<u>Cost</u>	
		<u>1991</u>	<u>1990</u>
		£	£
Elan Computing (Scotland) Ltd	150 Ord £1 (75%)	53,155	75
Bell Software Systems Ltd	25000 Ord £1 (100%)	3,969	-
Bell Software Services Ltd	10000 Ord £1 (100%)	1,588	-
		<u>£58,712</u>	<u>£ 75</u>

The principal activity of the subsidiaries in the year was that of employment agents.

Related undertakings:

The group holds 25% of the share capital of Peak Sales and Marketing Limited a company incorporated in the U.K whose main activity is the sale of computer software and hardware.

12. STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Work in progress	<u>774,542</u>	<u>531,042</u>	<u>746,841</u>	<u>531,042</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

13. DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Trade debtors	744,853	656,765	703,331	656,765
Amounts owed by group undertakings	4,414	-	144,951	53,081
Social security and other taxes	356	-	-	-
Other debtors	11,404	923	2,387	923
Prepayments	25,750	12,115	14,315	8,139
	<u>£786,777</u>	<u>£669,803</u>	<u>£864,984</u>	<u>£718,908</u>

14. CREDITORS - AMOUNTS FALLING DUE
WITHIN ONE YEAR

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Bank loans and overdraft	302,415	232,970	301,870	232,970
Other loans	43,500	43,500	43,500	43,500
Obligations under hire purchase and finance lease contracts	9,601	11,066	517	11,066
Trade creditors	481,011	348,205	477,255	348,205
Amounts owed to group undertakings	-	-	16,878	-
Corporation tax	106,743	107,356	101,942	107,356
Other taxes and social security costs	154,844	61,807	113,678	61,807
Directors' current accounts	1,394	4,394	1,394	1,394
Other creditors	54,378	-	49,348	-
Accruals	105,127	86,378	91,940	83,796
Related advance corporation tax	2,498	35,000	-	35,000
	<u>£1,261,511</u>	<u>£930,676</u>	<u>£1,198,322</u>	<u>£925,094</u>

Obligations under hire purchase and finance leases - see note 16.

The bank overdraft is secured by a fixed charge over the book debts of the company and a floating charge over the other assets of the company.

16-006-92

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1991

15. CREDITORS - AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

	<u>Group</u>		<u>Company</u>	
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Other loans	122,197	-	-	-
Obligations under hire purchase and finance lease contracts	8,819	518	-	518
	<u>£131,016</u>	<u>£518</u>	<u>£ -</u>	<u>£518</u>

Obligations under hire purchase and finance leases - see note 16.

16. OBLIGATIONS UNDER HIRE PURCHASE

The future obligations under hire purchase and finance lease contracts to which the group and the company are committed as at 31st August 1991 are as follows:

	<u>Group</u>	<u>Company</u>
	£	£
In the year ending:		
31st August 1992	12,354	637
31st August 1993	10,414	-
31st August 1994	975	-
	<u>23,743</u>	<u>637</u>
Less: Finance charges allocated to future periods	(5,323)	(120)
	<u>£18,420</u>	<u>£ 517</u>

17. DEFERRED TAXATION

No provision for deferred taxation has been made for the group or the company as the total potential liability is nil.

ELAN COMPUTING LIMITEDNOTES TO THE ACCOUNTS - continued31ST AUGUST 1991

18. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>	
		<u>1991</u>	<u>1990</u>
	£	£	£
60,100 Ordinary shares of £1 each	£100,000	£60,100	£60,100

19. STATEMENT OF RETAINED PROFITS

	<u>1991</u>	<u>1990</u>
	£	£
Balance at 1st September 1990	348,096	213,974
Retained profit for the financial year	191,642	134,122
Goodwill on the acquisition of Bell Software Services Ltd and Bell Software Systems Ltd written off	(162,671)	-
Balance at 31st August 1991	£ 377,067	£348,096