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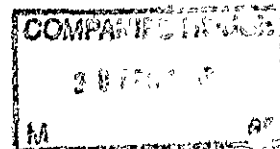
Registered

ELAN COMPUTING LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1992

COMPANY NUMBER: 2114287



20-02-93

ELAN COMPUTING LIMITED
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FOR THE YEAR ENDED 31ST AUGUST 1992

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ELAN COMPUTING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST AUGUST 1992

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 1992.

RESULTS AND DIVIDENDS

The group results for the year ended 31st August 1992 are set out in the consolidated profit and loss account on page 4.

A dividend of £2.24625 per share was paid during the year.

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 1992</u>	<u>31st August 1991</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

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

DONATIONS

During the year the company made donations of £10,000 to various charities.

ELAN COMPUTING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST AUGUST 1992
(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 Morison Stoneham (formerly Messrs Allen Baldry) have indicated their willingness to be re-appointed as auditors of the company.

By Order of the Board

25TH JANUARY 1993

C. Hutton



A DERY
Secretary

ELAN COMPUTING LIMITED
REPORT OF THE AUDITORS TO THE MEMBERS
FOR THE YEAR ENDED 31ST AUGUST 1992

We have audited the financial statements set out on pages 4 to 17 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 1992 and of its result and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25TH JANUARY 1993

Prudential Buildings
Guildford Surrey GU1 3JW

Morison Stoneham

MORISON STONEHAM
CHARTERED ACCOUNTANTS
& REGISTERED AUDITORS

ELAN COMPUTING LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
		£	£
TURNOVER	2	12,125,253	10,066,817
Change in stocks and work in progress		53,081	217,785
		<u>12,178,334</u>	<u>10,284,602</u>
Staff costs	1,055,965		867,286
Depreciation of tangible fixed assets	72,725		57,316
Other operating charges	10,479,835		9,031,612
		<u>11,608,525</u>	<u>9,956,214</u>
OPERATING PROFIT	3	569,809	328,388
Profit on disposal of investment	-		337
Interest receivable	5	5,786	1,022
Amount written off investments	(20,000)		-
Interest payable	6	(23,060)	(26,341)
Exchange profits/(losses)	11,073		(1,678)
		<u>(26,201)</u>	<u>(26,660)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		543,608	301,728
TAXATION	7	148,893	107,959
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>394,715</u>	<u>193,769</u>
Minority interests		2,749	2,127
PROFIT ON ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		<u>391,966</u>	<u>191,642</u>
Dividends	8	135,000	-
RETAINED PROFIT FOR THE YEAR (of which £114,612 (1991 - £191,973) was dealt with in the accounts of the Holding Company)		<u>£ 256,966</u>	<u>£ 191,642</u>

The notes on pages 9 to 17 form part of these accounts.

ELAN COMPUTING LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31ST AUGUST 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
		£	£
FIXED ASSETS			
Tangible assets	9	187,766	208,270
Investments	11	-	20,000
		<u>187,766</u>	<u>228,270</u>
CURRENT ASSETS			
Stocks	12	827,623	774,542
Debtors	13	1,034,223	786,777
Cash at bank and in hand		50,151	43,583
		<u>1,911,997</u>	<u>1,604,902</u>
CREDITORS - amounts falling due within one year	14	<u>(1,220,468)</u>	<u>(1,261,511)</u>
NET CURRENT ASSETS		<u>691,529</u>	<u>343,391</u>
ASSETS LESS CURRENT LIABILITIES		<u>879,295</u>	<u>571,661</u>
CREDITORS - amounts falling due after more than one year	15	<u>(107,000)</u>	<u>(131,016)</u>
NET ASSETS		<u><u>£772,295</u></u>	<u><u>£440,645</u></u>

Financed by:

CAPITAL AND RESERVES

Called up share capital	17	60,100	60,100
Profit and loss account	18	705,968	377,067
Minority interests		6,227	3,478
		<u>£772,295</u>	<u>£440,645</u>

Approved by the Directors on 25/1/93 and signed on behalf of the Board by:

S. ANTHONY

A. DERX

P. ANTHONY

J. HAYDOCK

S. Anthony

A. Derx

P. Anthony

J. Haydock

} Directors

The notes on pages 9 to 17 form part of these accounts.

ELAN COMPUTING LIMITED

BALANCE SHEET

AS AT 31ST AUGUST 1992

	<u>Notes</u>	<u>1992</u>		<u>1991</u>	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		133,287		116,230
Investments	11		-		58,712
			<u>133,287</u>		<u>174,942</u>
CURRENT ASSETS					
Stocks	12	784,305		746,841	
Debtors	13	1,155,971		364,984	
Cash at bank and in hand		22,783		39,090	
		<u>1,963,057</u>		<u>1,650,915</u>	
CREDITORS - amounts falling due within one year	14	<u>(1,218,355)</u>		<u>(1,198,322)</u>	
NET CURRENT ASSETS			<u>744,704</u>		<u>452,593</u>
ASSETS LESS CURRENT LIABILITIES			877,991		627,535
CREDITORS - amounts falling due after more than one year	15		<u>(107,000)</u>		-
NET ASSETS			<u><u>£770,991</u></u>		<u><u>£627,535</u></u>

Financed by:

CAPITAL AND RESERVES

Called up share capital	17	(60,100)	60,100
Profit and loss account		710,891	567,435
		<u>£770,991</u>	<u>£627,535</u>

Approved by the Directors on 25/1/93 and signed on behalf of the Board by:

S ANTHONY	<i>S. Anthony</i>	} Directors
A DERX	<i>Anders</i>	
P ANTHONY	<i>P. Anthony</i>	
J HAYDOCK	<i>J. Haydock</i>	

The notes on pages 9 to 17 form part of these accounts.

ELAN COMPUTING LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 1992

	<u>1992</u>	<u>1991</u>
	£	£
Net cash inflow from operating activities (note 1)	409,207	158,680
Returns of investment and servicing of finance:		
Interest received	5,786	1,022
Interest paid	(15,409)	(23,383)
Dividends paid	(135,000)	-
Net cash outflow from return on investments and servicing of finance	(144,623)	(22,361)
Taxation paid	(106,383)	(143,574)
Investing activities:		
Payment to acquire tangible fixed assets	(88,424)	(92,407)
Purchase of investments	-	(20,000)
Receipts from sale of assets	35,453	6,393
Sale of shares to minority	-	3,000
Repayment of other loans	-	(2,873)
Net cash outflow from investing activities	(52,971)	(105,887)
Net inflow (outflow) before financing	105,230	(113,142)
Financing:		
Increase in other loans	63,500	125,070
Hire purchase repayment	(21,222)	(39,570)
Net cash inflow from financing	42,278	85,500
Increase in cash and cash equivalents (note 3)	£ 147,508	£ (27,642)

ELAN COMPUTING LIMITED
NOTES TO THE CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1992

1. Reconciliation of operating profit to net cash inflow for operating activities.

	<u>1992</u>	<u>1991</u>
	£	£
Operating profit	569,808	328,388
Depreciation	72,725	57,316
Loss on disposal of fixed assets	750	(671)
Exchange profits/(losses) realised	11,073	(1,678)
(Increase) in operating debtors and prepayments	(247,446)	(116,974)
(Increase) in stock	(53,081)	(243,500)
(Increase) in operating creditors and accruals	(16,557)	298,470
Adjustment on acquisition	71,935	(162,671)
	<u>(160,601)</u>	<u>(169,708)</u>
Net cash inflow from operating activities	<u>£ 409,207</u>	<u>£ 158,680</u>

2. Analysis of changes in cash and cash equivalents.

	<u>1992</u>	<u>1991</u>
	£	£
Balance at 31st August 1991	(258,832)	(231,190)
Net cash inflow/(outflow)	147,508	(27,642)
Balance at 31st August 1992	<u>£(111,324)</u>	<u>£(258,832)</u>

3. Analysis of the balances of cash and cash equivalents as shown in the balance sheet.

Current and previous years	<u>1992</u>	<u>1991</u>	Change in <u>Year</u>
	£	£	£
Cash at bank and in hand (see above)	50,151	43,583	6,568
Bank overdraft	(161,475)	(302,415)	140,940
	<u>£(111,324)</u>	<u>£(258,832)</u>	<u>£ 147,508</u>

	<u>1991</u>	<u>1990</u>	Change in <u>Year</u>
	£	£	£
Cash at bank and in hand	43,583	1,780	41,803
Bank overdraft	(302,415)	(232,970)	(69,445)
	<u>£(258,832)</u>	<u>£(231,190)</u>	<u>£ (27,642)</u>

26-02-93

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1992

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards.

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:

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, and represents subcontractor time re-charged.

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 1992

2. TURNOVER

An analysis of turnover by geographical market is given below:

	<u>1992</u>	<u>1991</u>
	£	£
United Kingdom	11,040,388	9,767,343
European Economic Community	719,560	299,474
Non EEC Europe	122,420	-
USA	242,885	-
	<u>£12,125,253</u>	<u>£10,066,817</u>

3. OPERATING PROFIT

This is stated after charging (crediting):

	<u>1992</u>	<u>1991</u>
	£	£
Staff costs (see note 4)	914,044	808,075
Auditors' remuneration	8,225	4,000
Depreciation	55,382	42,925
Loss on disposal of fixed assets	(1,385)	(671)
Hire of equipment	<u>1,632</u>	<u>1,632</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1992

4. EMPLOYEE INFORMATION

4.1 Staff costs:	<u>1992</u>	<u>1991</u>
	£	£
Wages and salaries	794,577	721,634
Social security costs	81,126	63,924
Other pension costs	38,341	22,517
	<u>£914,044</u>	<u>£808,075</u>

4.2 The average weekly number of employees during the year was made up as follows:	No.	No.
Office and management	8	6
Sales	30	17
	<u>—</u>	<u>—</u>
	38	23
	<u>—</u>	<u>—</u>

4.3 Directors' emoluments:

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

	<u>1992</u>	<u>1991</u>
	£	£
Fees and salaries	218,739	308,884
Benefits in kind	6,987	7,161
	<u>£225,726</u>	<u>£316,045</u>

Further details, excluding pension contributions:

Highest paid director	<u>£ 89,453</u>	<u>£ 87,393</u>
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Other directors' emoluments fell within the following ranges:

	No.	No.
£35,001 - £40,000	1	1
£40,001 - £45,000	1	2
£45,001 - £50,000	1	—

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1992

5. INTEREST RECEIVABLE

	<u>1992</u>	<u>1991</u>
	£	£
interest received	4,383	543
Other interest	1,403	479
	<u>£5,786</u>	<u>£1,022</u>

6. INTEREST PAYABLE

	<u>1992</u>	<u>1991</u>
	£	£
On bank loans, overdrafts and other loans		
-repayable within 5 years, not by instalments	8,331	9,602
-repayable within 5 years, by instalments	11,799	13,484
Hire purchase charges	2,802	2,958
Other interest	128	297
	<u>£23,060</u>	<u>£26,341</u>

7. TAXATION

7.1 The group tax charge on the Profit on ordinary activities for the year was as follows:

	<u>1992</u>	<u>1991</u>
	£	£
U.K corporation tax at 31.3% (1991 - 33.6%)	149,253	106,743
	<u>149,253</u>	<u>106,743</u>
Adjustment in respect of previous years:		
Corporation tax	(360)	1,216
	<u>£148,893</u>	<u>£107,959</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1992

8. DIVIDENDS

	<u>1992</u>	<u>1991</u>
	£	£
Interim dividend paid:		
224.626p per share (1991 £nil per share)	135,000	-
	<u>£135,000</u>	<u>£ -</u>

9. TANGIBLE FIXED ASSETS-GROUP

	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st September 1991	61,509	121,615	146,612	329,736
Additions	18,883	40,819	28,722	88,424
Disposals	(46,565)	(3,790)	(33,165)	(83,520)
Arising on acquisition of				
At 31st August 1992	<u>£ 33,827</u>	<u>£158,644</u>	<u>£142,169</u>	<u>£334,640</u>
Depreciation:				
At 1st September 1991	7,979	58,013	55,474	121,466
Charge for year	8,571	39,663	24,491	72,725
Disposals	(33,209)	(2,842)	(11,266)	(47,317)
At 31st August 1992	<u>£(16,659)</u>	<u>£ 94,834</u>	<u>£ 68,699</u>	<u>£146,874</u>
Net book value:				
At 31st August 1992	<u>£ 50,486</u>	<u>£ 63,810</u>	<u>£ 73,470</u>	<u>£187,766</u>
At 31st August 1991	<u>£ 53,530</u>	<u>£ 63,602</u>	<u>£ 91,138</u>	<u>£208,270</u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS

31ST AUGUST 1992

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 1991	28,868	110,012	83,851	222,731
Additions	12,048	39,869	34,134	86,051
Disposals	-	(3,790)	(16,930)	(20,720)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st August 1992	£40,916	£146,091	£101,055	£288,062
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation:				
At 1st September 1991	5,808	54,451	46,242	106,501
Charge for year	4,090	36,523	14,769	55,382
Disposals	-	(2,842)	(4,266)	(7,108)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st August 1992	£ 9,898	£ 88,132	£ 56,745	£154,775
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value:				
At 31st August 1992	£31,018	£ 57,959	£ 44,310	£133,287
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st August 1991	£23,060	£ 55,561	£ 37,609	£116,230
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ELAN COMPUTING LIMITED

NOTES TO THE ACCOUNTS - continued

31ST AUGUST 1992

11. FIXED ASSET INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Investments in subsidiaries: Shares at cost less amounts written off	-	-	-	58,712
Investments in related companies: Shares at cost less amounts written off	-	20,000	-	-
	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>58,712</u>

Subsidiaries:

The company has investments in the following companies:

<u>Name</u>	<u>Holding</u>	<u>Cost</u>	
		<u>1992</u>	<u>1991</u>
		£	£
Elan Computing (Scotland) Ltd	150 Ord £1 (75%)	-	53,155
Bell Software Systems Ltd	25000 Ord £1 (100%)	-	3,969
Bell Software Services Ltd	10000 Ord £1 (100%)	-	1,588
		<u>£ -</u>	<u>£58,712</u>

The principal activity of the subsidiaries in the year was that of employment agents. All subsidiaries are incorporated in the U.K.

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.

Peak Sales and Marketing Limited is currently in the process of seeking dissolution.

12. STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Work in progress	<u>827,623</u>	<u>774,542</u>	<u>784,305</u>	<u>746,841</u>

ELAN COMPUTING LIMITEDNOTES TO THE ACCOUNTS - continued31ST AUGUST 1992

13. DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Trade debtors	996,728	744,853	1,011,150	703,331
Amounts owed by group undertakings	-	4,414	123,084	144,951
Social security and other taxes	356	356	-	-
Other debtors	2,961	11,404	2,961	2,387
Prepayments	34,178	25,750	18,776	14,315
	<u>£1,034,223</u>	<u>£786,777</u>	<u>£1,155,971</u>	<u>£864,984</u>

14. CREDITORS - AMOUNTS FALLING DUE
WITHIN ONE YEAR

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Bank loans and overdraft	161,475	302,415	161,475	301,870
Other loans	-	43,500	-	43,500
Obligations under hire purchase and finance lease contracts	-	9,601	-	517
Trade creditors	539,238	481,011	533,426	477,255
Amounts owed to group undertakings	-	-	24,647	16,878
Corporation tax	149,253	106,743	134,572	101,942
Other taxes and social security costs	177,450	154,844	171,172	113,678
Directors' current accounts	1,394	1,394	1,394	1,394
Other creditors	40,468	54,378	51,629	49,348
Accruals	148,692	105,127	140,040	91,940
Advance corporation tax	2,498	2,498	-	-
	<u>£1,220,468</u>	<u>£1,261,511</u>	<u>£1,218,355</u>	<u>£1,198,322</u>

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.

ELAN COMPUTING LIMITEDNOTES TO THE ACCOUNTS - continued31ST AUGUST 199215. CREDITORS - AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

	<u>Group</u>		<u>Company</u>	
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Other loans	107,000	122,197	-	-
Obligations under hire purchase and finance lease contracts	-	8,819	-	-
	<u>£107,000</u>	<u>£131,016</u>	<u>£ -</u>	<u>£ -</u>

16. DEFERRED TAXATION

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

17. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>	
		<u>1992</u>	<u>1991</u>
	£	£	£
60,100 Ordinary shares of £1 each	<u>£100,000</u>	<u>£60,100</u>	<u>£60,100</u>

18. STATEMENT OF RETAINED PROFITS

	<u>1992</u>	<u>1991</u>
	£	£
Balance at 1st September 1991	377,067	213,974
Retained profit for the financial year	256,966	191,642
Adjustment re Goodwill on the acquisition of Bell Software Services Ltd and Bell Software Systems Ltd	71,935	(162,671)
Balance at 31st August 1992	<u>£705,968</u>	<u>£377,067</u>