

# **ANVIL SOFTWARE LIMITED**

## **FINANCIAL STATEMENTS**

**FOR**

**30 SEPTEMBER 2003**

**COMPANY REGISTRATION NUMBER 2294625**



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# ANVIL SOFTWARE LIMITED

## FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

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CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditors' report to the shareholders	4
Profit and loss account	5
Reconciliation of movements in shareholders' funds	6
Balance sheet	7
Cash flow statement	8 to 9
Notes to the financial statements	10 to 16
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	18
Notes to the detailed profit and loss account	19

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# ANVIL SOFTWARE LIMITED

## OFFICERS AND PROFESSIONAL ADVISERS

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### THE BOARD OF DIRECTORS

Mr A J Dalby  
Mr J T M Nicholson  
Mr M D Kelly  
Dr S R Deal  
Mr M Clark

### COMPANY SECRETARY

Dr S R Deal

### REGISTERED OFFICE

51-53 Rivington Street  
London  
EC2A 3SE

### AUDITORS

Menzies  
Chartered Accountants  
& Registered Auditors  
Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

### BANKERS

HSBC Bank Plc  
138 Tottenham Court Road  
London  
W1P 0AY

### SOLICITORS

Robbins Olivey  
Southern House  
Guildford Road  
Woking  
Surrey  
GU22 7UY

# ANVIL SOFTWARE LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2003.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the supply of computer services.

The company's turnover for the year has continued to increase in response to strong demand for all our services: ARTS, Denarius and Anvil Consulting, and the Directors are very happy with the results for the year.

### FUTURE DEVELOPMENTS

We will continue to undertake research and development in all our core products.

The board expects continued company growth in terms of turnover and profitability in all our sites around the world.

### RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2003 £	2002 £
Dividends paid and proposed on ordinary shares	99,850	49,925

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 30 September 2003	At 1 October 2002
Mr A J Dalby	Ordinary Shares	—	—
	Non-redeemable		
	Cum Pref 'A'		
	Shares @ 5p	28,000	28,000
Mr J T M Nicholson	Ordinary 'B'		
	Shares @ 2p	280,000	280,000
	Ordinary Shares	—	—
	Non-redeemable		
Mr M D Kelly	Cum Pref 'A'		
	Shares @ 5p	28,000	28,000
	Ord 'B' Shares	280,000	280,000
	Ordinary Shares	—	—
Dr S R Deal	Non-redeemable		
	Pref 'A'		
	Shares @ 5p	28,000	28,000
	Ord 'B' Shares	280,000	280,000
Mr M Clark	Ordinary Shares	—	—
	Non-redeemable		
	Cum Pref 'A'		
	Shares @ 5p	28,000	28,000
	Ord 'B' Shares	280,000	280,000
	Non redeemable		
	Pref 'A'		
	Shares @ 5p	8,000	8,000
	Ord 'B' Shares	80,000	80,000

# ANVIL SOFTWARE LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2003

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### DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 10, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors 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.

### DONATIONS

During the year the company made the following contributions:

	2003 £	2002 £
Charitable	1,895	795

### AUDITORS

A resolution to re-appoint Menzies as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
51-53 Rivington Street  
London  
EC2A 3SE

Signed by order of the directors

Dr S R Deal  
Company Secretary



Approved by the directors on 18/02/04

# ANVIL SOFTWARE LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 SEPTEMBER 2003

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We have audited the financial statements on pages 5 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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.


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 misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also 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 30 September 2003 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

23 February 2004

  
MENZIES  
Chartered Accountants  
& Registered Auditors

# ANVIL SOFTWARE LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2003

	Note	2003 £	2002 £
<b>TURNOVER</b>	2	5,143,661	4,596,846
Cost of sales		3,550,264	3,237,752
<b>GROSS PROFIT</b>		1,593,397	1,359,094
Administrative expenses		1,265,003	1,168,598
<b>OPERATING PROFIT</b>	3	328,394	190,496
Income from shares in group undertakings	6	8,535	10,900
Interest receivable		10,493	24,593
Profit on disposal of investments	7	-	5,487
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		347,422	231,476
Tax on profit on ordinary activities	8	81,446	55,945
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		265,976	175,531
Dividends	9	99,850	49,925
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		166,126	125,606

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 16 form part of these financial statements.

# ANVIL SOFTWARE LIMITED

## RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

YEAR ENDED 30 SEPTEMBER 2003

	2003		2002	
	£	£	£	£
Profit for the financial year		265,976		175,531
Dividends		(99,850)		(49,925)
		<u>166,126</u>		<u>125,606</u>
New equity share capital subscribed	446		721	
Premium on new share capital subscribed	<u>1,528</u>		<u>3,606</u>	
		<u>1,974</u>		<u>4,327</u>
Net addition to funds		168,100		129,933
Opening shareholders' equity funds		<u>1,822,034</u>		<u>1,692,101</u>
Closing shareholders' equity funds		<u>1,990,134</u>		<u>1,822,034</u>

The notes on pages 10 to 16 form part of these financial statements.



# ANVIL SOFTWARE LIMITED

## BALANCE SHEET

30 SEPTEMBER 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Intangible assets	10	369,309	204,000
Tangible assets	11	654,479	700,979
Investments	12	66,941	66,941
		<u>1,090,729</u>	<u>971,920</u>
<b>CURRENT ASSETS</b>			
Stocks	13	20,125	37,275
Debtors	14	1,511,841	1,189,003
Cash at bank and in hand		224,660	378,040
		<u>1,756,626</u>	<u>1,604,318</u>
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>857,221</u>	<u>754,204</u>
<b>NET CURRENT ASSETS</b>		<u>899,405</u>	<u>850,114</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,990,134</u>	<u>1,822,034</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	31,242	30,796
Share premium account	19	13,384	11,856
Profit and loss account	20	1,945,508	1,779,382
<b>SHAREHOLDERS' FUNDS</b>		<u>1,990,134</u>	<u>1,822,034</u>

These financial statements were approved by the directors on the 18/2/04 and are signed on their behalf by:

  
Mr A. Dalby

  
Mr J T M Nicholson

The notes on pages 10 to 16 form part of these financial statements.

# ANVIL SOFTWARE LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30 SEPTEMBER 2003

	2003		2002
	£	£	£
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>		345,138	(87,481)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Income from group undertakings	8,535		10,900
Interest received	10,493		24,593
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		19,028	35,493
<b>TAXATION</b>		(137,391)	(72,654)
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire intangible fixed assets	(226,377)		(140,000)
Payments to acquire tangible fixed assets	(55,902)		(84,347)
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(282,279)	(224,347)
<b>ACQUISITIONS AND DISPOSALS</b>			
Acquisition of shares in group undertakings	—		(15,799)
<b>NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS</b>		—	(15,799)
<b>EQUITY DIVIDENDS PAID</b>		(99,850)	(72,180)
<b>CASH OUTFLOW BEFORE FINANCING</b>		(155,354)	(436,968)
<b>FINANCING</b>			
Issue of equity share capital	446		721
Share premium on issue of equity share capital	1,528		3,606
<b>NET CASH INFLOW FROM FINANCING</b>		1,974	4,327
<b>DECREASE IN CASH</b>		(153,380)	(432,641)
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>			
	<b>2003</b>		<b>2002</b>
	£		£
Operating profit	328,394		190,496
Amortisation	61,068		86,000
Depreciation	102,402		108,758
Decrease in stocks	17,150		17,725
Increase in debtors	(322,838)		(390,305)
Increase/(decrease) in creditors	158,962		(100,155)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>345,138</b>	<b>(87,481)</b>

The notes on pages 10 to 16 form part of these financial statements.

# ANVIL SOFTWARE LIMITED

## CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 SEPTEMBER 2003

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2003 £	2002 £
Decrease in cash in the period	(153,380)	(432,641)
Movement in net funds in the period	(153,380)	(432,641)
<b>Net funds at 1 October 2002</b>	<b>378,040</b>	<b>810,681</b>
<b>Net funds at 30 September 2003</b>	<b>224,660</b>	<b>378,040</b>

### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Oct 2002 £	Cash flows £	At 30 Sep 2003 £
Net cash:			
Cash in hand and at bank	378,040	(153,380)	224,660
<b>Net funds</b>	<b>378,040</b>	<b>(153,380)</b>	<b>224,660</b>

The notes on pages 10 to 16 form part of these financial statements.

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

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### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Software Development Costs	-	Over the life of the product
Trademarks	-	20% straight line

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% straight line
Fixtures & Fittings	-	25% straight line
Computer Equipment	-	33 1/3% straight line

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Consolidation**

The company has taken advantage of the statutory exemption not to prepare group accounts, by virtue of its size, as permitted by section 248 of the companies act 1985.

#### **Income from investments**

Investment income comprises dividends declared during the accounting period in respect of listed and un-listed investments and interest receivable on term deposits and fixed interest securities.

#### **Software development**

Development costs incurred are capitalised when their recoverability can be assessed with reasonable certainty. Capitalised costs are amortised over the period during which the associated income is expected to be realised. All other development costs are written off in the year of expenditure.

#### **Fixed asset investments**

Fixed asset investments are included in the balance sheet at cost after provision for any permanent diminution in value.

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2003 £	2002 £
United Kingdom	4,513,960	4,469,471
Rest of the world	629,701	127,375
	<u>5,143,661</u>	<u>4,596,846</u>

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2003 £	2002 £
Amortisation	61,068	86,000
Depreciation of owned fixed assets	102,402	108,758
Auditors' remuneration - as auditors	9,000	9,000
Net (profit)/loss on foreign currency translation	<u>(7,883)</u>	<u>8,518</u>

### 4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2003 No	2002 No
Number of staff	<u>64</u>	<u>55</u>

The aggregate payroll costs of the above were:

	2003 £	2002 £
Wages and salaries	2,372,631	2,260,452
Social security costs	297,662	252,558
Other pension costs	84,322	71,159
	<u>2,754,615</u>	<u>2,584,169</u>

### 5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Emoluments receivable	350,700	334,731
Value of company pension contributions to money purchase schemes	12,488	12,451
	<u>363,188</u>	<u>347,182</u>

Emoluments of highest paid director:

	2003 £	2002 £
Total emoluments (excluding pension contributions):	<u>97,425</u>	<u>109,218</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003 No	2002 No
Money purchase schemes	<u>3</u>	<u>3</u>

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2003 £	2002 £
Income from group undertakings	8,535	10,900

### 7. PROFIT ON DISPOSAL OF INVESTMENTS

	2003 £	2002 £
Loss on Investment in subsidiary	-	(5,487)

### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at 30% (2002 - 30%)	79,246	89,768
Withholding tax at source	2,200	-
	81,446	89,768
Adjustment in respect of prior year	-	(33,823)
Total current tax	81,446	55,945

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2002 - 30%).

	2003 £	2002 £
Profit on ordinary activities before taxation	347,422	231,476
Profit/(loss) on ordinary activities by rate of tax	104,227	69,443
Expenses not deductible for tax purposes	5,649	295
Research and Development 50% uplift	(40,381)	(12,254)
Depreciation for period in excess of capital allowances	10,654	35,554
Marginal tax relief	(903)	-
Withholding tax suffered	2,200	-
Adjustments to tax charge in respect of prior periods	-	(33,823)
Franked Investment income	-	(3,270)
Total current tax (note 8(a))	81,446	55,945

### 9. DIVIDENDS

The following dividends have been paid in respect of the year:

	2003 £	2002 £
Interim Dividend paid on ordinary shares	49,925	49,925
Final Dividend proposed on ordinary shares	49,925	-
	99,850	49,925

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 10. INTANGIBLE FIXED ASSETS

	Software Development £	Trade marks £	Total £
<b>COST</b>			
At 1 October 2002	290,000	–	290,000
Additions	200,000	26,377	226,377
<b>At 30 September 2003</b>	<b>490,000</b>	<b>26,377</b>	<b>516,377</b>
<b>AMORTISATION</b>			
At 1 October 2002	86,000	–	86,000
Charge for the year	60,000	1,068	61,068
<b>At 30 September 2003</b>	<b>146,000</b>	<b>1,068</b>	<b>147,068</b>
<b>NET BOOK VALUE</b>			
<b>At 30 September 2003</b>	<b>344,000</b>	<b>25,309</b>	<b>369,309</b>
At 30 September 2002	204,000	–	204,000

### 11. TANGIBLE FIXED ASSETS

	Land and Buildings £	Fixtures & fittings £	Computer Equipment £	Total £
<b>COST</b>				
At 1 October 2002	577,813	299,856	529,639	1,407,308
Additions	–	9,115	46,787	55,902
<b>At 30 September 2003</b>	<b>577,813</b>	<b>308,971</b>	<b>576,426</b>	<b>1,463,210</b>
<b>DEPRECIATION</b>				
At 1 October 2002	23,646	255,145	427,538	706,329
Charge for the year	5,802	34,877	61,723	102,402
<b>At 30 September 2003</b>	<b>29,448</b>	<b>290,022</b>	<b>489,261</b>	<b>808,731</b>
<b>NET BOOK VALUE</b>				
<b>At 30 September 2003</b>	<b>548,365</b>	<b>18,949</b>	<b>87,165</b>	<b>654,479</b>
At 30 September 2002	554,167	44,711	102,101	700,979

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 12. INVESTMENTS

	£
<b>COST</b>	
At 1 October 2002 and 30 September 2003	67,909
<b>AMOUNTS WRITTEN OFF</b>	
At 1 October 2002 and 30 September 2003	968
<b>NET BOOK VALUE</b>	
At 30 September 2003	66,941
At 30 September 2002	66,941

The company owns 100% of the issued share capital of the companies listed below,

	Country of incorporation	Class of share held
Anvil Software Pty Limited	Australia	Ordinary
Anvil Software Malta Limited	Malta	Ordinary
ASL Software Limited	Canada	Ordinary
Anvil Software Inc	United States	Ordinary

#### Aggregate capital and reserves

Anvil Software Pty Limited	71,954
Anvil Software Malta Limited	75,570
ASL Software Limited	48,754
Anvil Software Inc	(15,274)

#### Profit and (loss) for the year

Anvil Software Pty Limited	(23,581)
Anvil Software Malta Limited	-
ASL Software Limited	47,137
Anvil Software Inc	20,932

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

Accordingly, no group accounts have been prepared.

### 13. STOCKS

	2003 £	2002 £
Work in progress	20,125	37,275

### 14. DEBTORS

	2003 £	2002 £
Trade debtors	1,175,280	1,086,714
Amounts owed by group undertakings	149,960	57,746
Other debtors	134,139	16,788
Prepayments and accrued income	52,462	27,755
	1,511,841	1,189,003



# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 15. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Payments received on account	—	25,750
Trade creditors	81,636	30,672
Amounts owed to group undertakings	200,618	128,225
Other creditors including taxation and social security:		
Corporation tax	—	55,945
Other taxation and social security	124,586	181,231
Dividends payable	49,925	49,925
	<u>456,765</u>	<u>471,748</u>
Accruals and deferred income	400,456	282,456
	<u>857,221</u>	<u>754,204</u>

The company has a debenture over its assets with its bankers HSBC dated 3 December 2002.

### 16. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2003 the company had annual commitments under non-cancellable operating leases as set out below.

	2003 £	Land & Buildings 2002 £
Operating leases which expire:		
Within 1 year	4,420	—
Within 2 to 5 years	20,800	20,800
	<u>25,220</u>	<u>20,800</u>

### 17. RELATED PARTY TRANSACTIONS

During the year the parent company purchased goods and services from the subsidiary companies as follows:-

	2003 £	2002 £
Anvil Software Pty Limited	469,345	582,100
Anvil Software Malta Limited	267,851	180,171
ASL Software Limited	230,979	104,876
Anvil Software Inc	437,529	9,615

The company also sold goods and services to the subsidiary companies as follows:-

	2003 £	2002 £
Anvil Software Pty Limited	11,673	60,623
Anvil Software Malta Limited	20,303	897
Anvil Software Inc	257,098	65,855
ASL Software Limited	19,896	nil

At 30 September 2003 the following amounts were owed to/(by) the company:-

	2003 £	2002 £
Anvil Software Pty Limited	(30,535)	(67,336)
Anvil Software Malta Limited	(24,937)	(4,283)
ASL Software Limited	(34,363)	10,755
Anvil Software Inc	39,177	(9,615)

# ANVIL SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

### 18. SHARE CAPITAL

#### Authorised share capital:

	2003 £	2002 £
9,200,000 Non-redeemable Cum Pref 'A' Shares shares of £0.05 each	460,000	460,000
2,000,000 Ord 'B' Shares shares of £0.02 each	40,000	40,000
	<u>500,000</u>	<u>500,000</u>

#### Allotted, called up and fully paid:

	2003 No	£	2002 No	£
Non-redeemable Cum Pref 'A' Shares shares of £0.05 each	120,300	6,015	120,300	6,015
Ord 'B' Shares shares of £0.02 each	1,261,367	25,227	1,239,060	24,781
	<u>1,381,667</u>	<u>31,242</u>	<u>1,359,360</u>	<u>30,796</u>

At 30 September 2003 the company had granted the following approved share options which have not lapsed :-

No of shares	Price per share £	Exercisable after
219,832	0.12	Immediately
14,410	0.12	30 April 2004
115,456	0.12	30 April 2005
10,800	0.23	30 April 2006

### 19. SHARE PREMIUM ACCOUNT

	2003 £	2002 £
Balance brought forward	11,856	8,250
Premium on shares issued in the year	1,528	3,606
Balance carried forward	<u>13,384</u>	<u>11,856</u>

### 20. PROFIT AND LOSS ACCOUNT

	2003 £	2002 £
Balance brought forward	1,779,382	1,653,776
Retained profit for the financial year	166,126	125,606
Balance carried forward	<u>1,945,508</u>	<u>1,779,382</u>