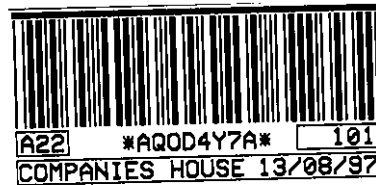


6N6 2353018

INPACT INTERNATIONAL LIMITED



1997 REPORT AND ACCOUNTS

INPACT INTERNATIONAL LIMITED

DIRECTORS

L. Ginet (Chairman)  
S.J. Noakes (International Director)  
W.A.J. Van den Reek  
L.F. Martinez  
F.M. Massolo  
Dr W. Fritsch  
H. Wanke  
Mrs K. Dahlstrom

INTERNATIONAL CO-ORDINATOR    S.A. Whittaker

SECRETARY                                M.R. Haines

REGISTERED OFFICE                      Audrey House,  
16/20 Ely Place,  
London, EC1N 6SN.

REGISTERED NUMBER                    2353018

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1997 REPORT AND ACCOUNTS

Pages	1 & 2	Directors' Report
	3	Auditors' Report
	4	Profit and Loss Account
	5	Balance Sheet
	6 - 8	Notes on the Accounts

## INPACT INTERNATIONAL LIMITED

### DIRECTORS' REPORT

The Directors present their Report and Accounts for the year ended 30th June, 1997.

#### PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the provision of conferences, administration and other services to the members of the International Network of Professional Accountants.

#### RESULTS AND BUSINESS REVIEW

The results for the year are set out on page 4 of the accounts. The Directors consider the results achieved to be satisfactory.

#### DIVIDENDS

The Directors do not recommend the payment of a dividend.

#### DIRECTORS

The Directors during the year, none of whom had a beneficial interest in the issued ordinary share capital of the Company were as follows:

L. Ginet  
S.J. Noakes  
W.A.J. Van den Reek  
L.F. Martinez  
F.M. Massolo  
Dr. W. Fritsch  
H. Wanke (appointed 1st January, 1997)  
Mrs K. Dahlstrom (appointed 22nd May, 1997)  
P. Farrell (resigned 31st December, 1996)  
P.O. Andersson (resigned 4th March, 1997)

#### DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF ACCOUNTS

Company law requires the Directors to prepare accounts for each financial year or period which give a true and fair view of the state of affairs of the Company at the end of the accounting year and of the profit or loss of the Company for the year. In preparing those accounts the Directors are required to:

- \* select suitable accounting policies and then 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 accounts;
- \* prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also 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 accounts 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.

INPACT INTERNATIONAL LIMITED

DIRECTORS' REPORT

**DIRECTORS' AND OFFICERS' INSURANCE**

During the period in question, the Company maintained a Directors' and Officers' insurance policy which would, subject to its terms, conditions and exceptions;

- indemnify the Directors and Officers jointly and severally against losses arising from wrongful acts arising in their capacity as Directors and Officers;
- reimburse the Company for claims made against the Directors and Officers jointly or severally for such wrongful acts where the Company is permitted or required by law to effect such an indemnity.

**AUDITORS**

A resolution for the re-appointment of the Auditors, Tom Carolan & Co., will be proposed at the forthcoming Annual General Meeting.

**BY ORDER OF THE BOARD**

*R. Harmer*

Secretary

Audrey House,  
16/20 Ely Place,  
London, EC1N 6SN.

*17 July, 1997*

## AUDITORS' REPORT TO THE MEMBERS OF

### INPACT INTERNATIONAL LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared on the historical cost basis and in accordance with the accounting policies set out on page 6.

#### **Respective responsibilities of directors and auditors**

As described on page 1 the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

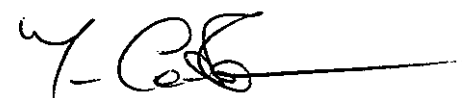
#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

#### **OPINION**

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 30th June, 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants  
Registered Auditor

18/7/97.

Ian Lodge,  
Stonard Road,  
London, N13 4DJ.

INPACT INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
TURNOVER from continuing operations	2	128,425	119,984
Administrative expenses		120,836	123,048
PROFIT/(LOSS) on ordinary activities before tax	3	7,589	(3,064)
TAX	4	100	201
PROFIT/(LOSS) on ordinary activities after tax		7,489	(3,265)
RETAINED PROFIT at 1st July, 1996		4,271	7,536
RETAINED PROFIT at 30th June, 1997		£11,760	£4,271

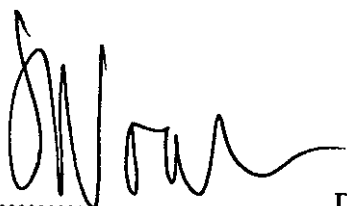
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit for the year disclosed above.

INPACT INTERNATIONAL LIMITED

BALANCE SHEET AT 30TH JUNE, 1997

	<u>Notes</u>		<u>1997</u>	<u>1996</u>
		£	£	£
TANGIBLE FIXED ASSETS	5		1,492	1,700
CURRENT ASSETS				
Stocks		7,000		14,000
Debtors	6	79,784		85,028
Bank balances		57,297		41,144
		<u>144,081</u>		<u>140,172</u>
CREDITORS due within one year	7	<u>133,733</u>		<u>137,521</u>
NET CURRENT ASSETS			10,348	2,651
			<u>£11,840</u>	<u>£4,351</u>
CAPITAL AND RESERVES				
Called up share capital	8		80	80
Profit and loss account			11,760	4,271
			<u>£11,840</u>	<u>£4,351</u>



..... Director

Approved by the Board on 18th July 1997

# INPACT INTERNATIONAL LIMITED

## NOTES ON THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

The accounts have been prepared on the historical cost basis and in accordance with applicable accounting standards.

#### b) Turnover

Turnover represents fees receivable, excluding value added tax.

#### c) Depreciation

Depreciation is provided to write-off the cost of fixed assets over their expected useful lives at 25% per annum.

#### d) Stocks

Stocks of brochures are stated at cost.

#### e) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

Realised exchange differences are taken into account in arriving at the operating profit.

#### f) Cash flow statement

The Company is entitled as a small company, to the exemptions under Sections 246 and 247 of the Companies Act 1985 and the Directors have therefore not prepared a cash flow statement as permitted by Financial Reporting Standard No 1.

### 2. TURNOVER

Turnover and profit before tax arose from continuing operations, are attributable to the Company's principal activities and are derived from the following geographical areas:

	<u>1997</u>	<u>1996</u>
	£	£
United Kingdom	24,160	19,574
Europe	104,265	100,410
	<hr/>	<hr/>
	£128,425	£119,984
	<hr/>	<hr/>

### 3. PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Stated after charging:

Auditors' remuneration

500

500

Depreciation

513

75

Bad debts

1,715

1,048

Wages and salaries

37,500

26,732

Social security costs

3,800

2,567

And after crediting:

Interest receivable

419

810

The average number of employees during the year was two (1996 - one)



# INPACT INTERNATIONAL LIMITED

## NOTES ON THE ACCOUNTS (Continued)

4.	TAX	<u>1997</u>	<u>1996</u>
	Corporation tax charge at 24%/23% (1996 - 25%/24%) on the adjusted year's results	£100	£201
		<u>          </u>	<u>          </u>
5.	TANGIBLE FIXED ASSETS	Computer equipment	
	Cost:	£	
	At 1st July, 1996	1,775	
	Additions	305	
		<u>          </u>	
	At 30th June, 1997	2,080	
		<u>          </u>	
	Depreciation:		
	At 1st July, 1996	75	
	Charge for year	513	
		<u>          </u>	
	At 30th June, 1997	588	
		<u>          </u>	
	Net book values:		
	At 30th June, 1997	£1,492	
		<u>          </u>	
	At 30th June, 1996	£1,700	
		<u>          </u>	
6.	DEBTORS	<u>1997</u>	<u>1996</u>
	Trade	£	£
	Prepayments	78,061	83,528
		1,723	1,500
		<u>          </u>	<u>          </u>
		£79,784	£85,028
		<u>          </u>	<u>          </u>
7.	CREDITORS DUE WITHIN ONE YEAR		
	Trade creditors	24	2,050
	Accruals	4,162	13,167
	Other taxes	2,214	861
	Income invoiced in advance	127,333	121,443
		<u>          </u>	<u>          </u>
		£133,733	£137,521
		<u>          </u>	<u>          </u>

# IMPACT INTERNATIONAL LIMITED

## NOTES ON THE ACCOUNTS (Continued)

8.	<b>CALLED UP SHARE CAPITAL</b>	<u>1997</u>	<u>1996</u>
	Authorised	£	£
	98 A Ordinary shares of £1 each	98	98
	900 B Ordinary shares of £1 each	900	900
	2 C Ordinary shares of £1 each	2	2
		<hr/>	<hr/>
		£1,000	£1,000
	 Allotted, issued and fully paid	 <hr/>	 <hr/>
	25 A Ordinary shares of £1 each	25	25
	53 B Ordinary shares of £1 each	53	53
	2 C Ordinary shares of £1 each	2	2
		<hr/>	<hr/>
		£80	£80
		<hr/>	<hr/>
9.	<b>TRANSACTIONS WITH DIRECTORS</b>		
	During the year £19,500 (1996 - £18,500) was payable to a firm of which S.J. Noakes is a Partner, in respect of administration and other services.		
10.	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>		
		<u>1997</u>	<u>1996</u>
		£	£
	Profit/(loss) for the financial year	7,489	(3,265)
	Issue of shares	-	54
	Shareholders' funds at 1st July, 1996	4,351	7,562
		<hr/>	<hr/>
	Shareholders' funds at 30th June, 1997	£11,840	£4,351
		<hr/>	<hr/>

MANAGEMENT INFORMATION SCHEDULE

INPACT INTERNATIONAL LIMITED

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1997

	£	<u>1997</u>	£	£	<u>1996</u>	£
FEES RECEIVABLE						
Ordinary		125,545			114,004	
New members		2,880			5,980	
		<u>128,425</u>			<u>119,984</u>	
EXPENSES						
ADMINISTRATION						
Administration fees - Beavis Walker	19,500			18,500		
Salaries and National insurance	41,300			29,299		
Insurances	3,212			2,438		
Computer costs	1,918			875		
Repairs	217			363		
Depreciation	513			75		
	<u>66,660</u>			<u>51,550</u>		
PRINTING AND STATIONERY						
Business cards	-			-		
Stationery	1,407			1,611		
	<u>1,407</u>			<u>1,611</u>		
BROCHURES, PUBLICITY, DESIGN AND MARKETING						
Newsletter and directory	-			6,000		
Postage	2,083			5,352		
Network development	7,397			1,519		
Brochure	7,000			4,980		
	<u>16,480</u>			<u>17,851</u>		
Carried forward	<u>84,547</u>	<u>128,425</u>		<u>71,012</u>	<u>119,984</u>	

MANAGEMENT INFORMATION SCHEDULE

INPACT INTERNATIONAL LIMITED

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1997 (Continued)

	<u>1997</u>		<u>1996</u>	
	£	£	£	£
Brought forward	84,547	128,425	71,012	119,984
ANNUAL CONFERENCE*	8,691		5,122	
TRAVEL, SUBSISTENCE AND ENTERTAINING				
Directors' meetings	14,669		21,390	
Committee meetings	5,987		2,045	
Travel to prospective new members	835		-	
Entertaining	468		379	
	21,959		23,814	
BAD DEBTS	1,715		1,048	
BANK CHARGES AND INTEREST				
Charges	1,772		1,659	
Interest receivable	(419)		(810)	
	1,353		849	
AUDIT FEE	500		500	
LEGAL AND PROFESSIONAL	490		19,560	
SUNDRY EXPENSES	1,581		1,143	
	2,571		21,203	
		120,836		123,048
PROFIT/(LOSS) FOR THE YEAR		£7,589		£(3,064)

\* The annual conference bill is shown net of contributions received from members.

This page does not form a part of the statutory accounts.