

Company Registration No. 2595903 (England and Wales)

**S M M SOFTWARE LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**



# S M M SOFTWARE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M E Mitchell K G Whelan
<b>Secretary</b>	M E Mitchell
<b>Company number</b>	2595903
<b>Registered office</b>	5 Curfew Yard, Thames Street Windsor Berkshire SL4 1SN
<b>Accountants</b>	Foreman & Hill 5 Curfew Yard, Thames Street Windsor Berkshire SL4 1SN
<b>Business address</b>	42A High Street Egham Surrey TW20 9DP

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# **S M M SOFTWARE LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1
Accountants' report	0
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 9

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# S M M SOFTWARE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1998

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The directors present their report and financial statements for the year ended 31 December 1998.

### Principal activities

The principal activity of the company continued to be that of computer print management software specialists. ( Year 2000. We are considering not only our own systems but also those of our major suppliers and customers. Once our assessment is complete we will develop detailed plans to deal with any such risks that are identified.)

### Directors

The following directors have held office since 1 January 1998:

M E Mitchell  
K G Whelan

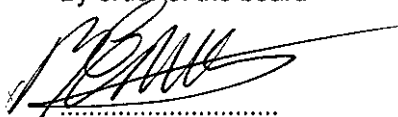
### Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 1998	1 January 1998
M E Mitchell	216,040	216,040
K G Whelan	34,848	34,848

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



M E Mitchell

Director

29.12.99

# S M M SOFTWARE LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1998

	Notes	1998 £	1997 £
Turnover		296,547	282,871
Cost of sales		(18,282)	(16,745)
<b>Gross profit</b>		<u>278,265</u>	<u>266,126</u>
Administrative expenses		(265,207)	(255,676)
<b>Operating profit</b>	<b>2</b>	<u>13,058</u>	<u>10,450</u>
Other interest receivable and similar income	<b>3</b>	249	165
Interest payable and similar charges		(64)	(209)
<b>Profit on ordinary activities before taxation</b>		<u>13,243</u>	<u>10,406</u>
Tax on profit on ordinary activities	<b>4</b>	(52)	-
<b>Profit on ordinary activities after taxation</b>	<b>11</b>	<u>13,191</u>	<u>10,406</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# S M M SOFTWARE LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 1998

	Notes	1998 £	£	1997 £	£
<b>Fixed assets</b>					
Intangible assets	5		1		1
Tangible assets	6		15,738		11,335
			<u>15,739</u>		<u>11,336</u>
<b>Current assets</b>					
Debtors	7	87,403		71,591	
Cash at bank and in hand		6,209		246	
		<u>93,612</u>		<u>71,837</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(98,789)</u>		<u>(85,802)</u>	
<b>Net current liabilities</b>			<u>(5,177)</u>		<u>(13,965)</u>
<b>Total assets less current liabilities</b>			<u>10,562</u>		<u>(2,629)</u>
<b>Capital and reserves</b>					
Called up share capital	10	278,787		278,787	
Profit and loss account	11	(268,225)		(281,416)	
<b>Shareholders' funds - equity interests</b>	12	<u>10,562</u>		<u>(2,629)</u>	

In preparing these financial statements:


- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 29.4.99.....



M E Mitchell  
Director



K G Whelan  
Director

# **S M M SOFTWARE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

#### **1.2 Compliance with accounting standards**

The accounts have been prepared in accordance with applicable accounting standards.

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.4 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **1.5 Research and development**

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer Equipment	25% Reducing balance
Fixtures, fittings & equipment	25% Reducing balance

#### **1.7 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.8 Pensions**

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

#### **1.9 Deferred taxation**

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998

<b>2</b>	<b>Operating profit</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	3,608	3,780
	Operating lease rentals	4,136	4,952
	Directors' emoluments	112,392	109,143
		<hr/>	<hr/>
<b>3</b>	<b>Other interest receivable and similar income</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Bank interest	249	165
		<hr/>	<hr/>
<b>4</b>	<b>Taxation</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	<b>U.K. current year taxation</b>		
	U.K. corporation tax at 21% (1997 - 21%)	52	-
		<hr/>	<hr/>

The company has carry forward losses of £224147 at 31st December 1998.

<b>5</b>	<b>Intangible fixed assets</b>	<b>Goodwill</b>	<b>Other intangible assets</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	<b>Cost</b>			
	At 1 January 1998 & at 31 December 1998	1	327,079	327,080
		<hr/>	<hr/>	<hr/>
	<b>Amortisation</b>			
	At 1 January 1998 & at 31 December 1998	-	327,079	327,079
		<hr/>	<hr/>	<hr/>
	<b>Net book value</b>			
	At 31 December 1998	1	-	1
		<hr/>	<hr/>	<hr/>
	At 31 December 1997	1	-	1
		<hr/>	<hr/>	<hr/>



# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998

### 6 Tangible fixed assets

	Computer Equipment	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 1998	21,550	2,489	24,039
Additions	6,916	1,095	8,011
At 31 December 1998	28,466	3,584	32,050
<b>Depreciation</b>			
At 1 January 1998	11,535	1,169	12,704
Charge for the year	3,122	486	3,608
At 31 December 1998	14,657	1,655	16,312
<b>Net book value</b>			
At 31 December 1998	13,809	1,929	15,738
At 31 December 1997	10,015	1,320	11,335

### 7 Debtors

	1998 £	1997 £
Trade debtors	81,309	65,558
Other debtors	6,094	6,033
	87,403	71,591

### 8 Creditors: amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	-	1,443
Trade creditors	20,398	13,740
Taxation and social security	15,827	10,669
Other creditors	62,564	59,950
	98,789	85,802

# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998

### 9 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1060 (1997 - £360).

10 Share capital	1998 £	1997 £
<b>Authorised</b>		
278,787 Ordinary shares of £1 each	278,787	278,787
<b>Allotted, called up and fully paid</b>		
278,787 Ordinary shares of £1 each	278,787	278,787

### 11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 1998	(281,416)
Retained profit for the year	13,191
Balance at 31 December 1998	(268,225)

12 Reconciliation of movements in shareholders' funds	1998 £	1997 £
Profit for the financial year	13,191	10,406
Opening shareholders' funds	(2,629)	(13,035)
Closing shareholders' funds	10,562	(2,629)

### 13 Financial commitments

At 31 December 1998 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 1998 £	1997 £
Expiry date:		
Within one year	4,000	8,000

# **S M M SOFTWARE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1998**

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### **14 Capital commitments**

The company had no capital commitments at 31 December 1998