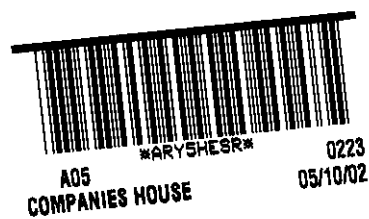


Company Registration No. 2595903 (England and Wales)

**S M M SOFTWARE LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**



# S M M SOFTWARE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M E Mitchell K G Whelan N J Herd
<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

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# S M M SOFTWARE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

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The directors present their report and financial statements for the year ended 31 December 2001.

### Principal activities

The principal activity of the company continued to be that of computer print management software specialists.

### Directors

The following directors have held office since 1 January 2001:

M E Mitchell  
K G Whelan  
N J Herd


### Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2001	1 January 2001
M E Mitchell	216,060	216,060
K G Whelan	34,848	34,848
N J Herd	27,879	27,879

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

On behalf of the board



M E Mitchell

Director

20 September 2002

# **S M M SOFTWARE LIMITED**

## **ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF S M M SOFTWARE LIMITED**

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As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2001, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

**Foreman & Hill**

25 September 2002

**Chartered Accountants**

5 Curfew Yard, Thames Street  
Windsor  
Berkshire  
SL4 1SN

# S M M SOFTWARE LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Turnover		253,585	320,330
Cost of sales		(12,248)	(18,633)
<b>Gross profit</b>		241,337	301,697
Administrative expenses		(305,723)	(262,863)
<b>Operating (loss)/profit</b>	<b>2</b>	(64,386)	38,834
Other interest receivable and similar income		28	406
Interest payable and similar charges		(1,259)	(388)
<b>(Loss)/profit on ordinary activities before taxation</b>		(65,617)	38,852
Tax on (loss)/profit on ordinary activities	<b>3</b>	-	(87)
<b>(Loss)/profit on ordinary activities after taxation</b>	<b>10</b>	(65,617)	38,765

# S M M SOFTWARE LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
<b>Fixed assets</b>					
Intangible assets	4		39,601		39,601
Tangible assets	5		-		7,146
			<u>39,601</u>		<u>46,747</u>
<b>Current assets</b>					
Debtors	6	36,732		83,686	
Cash at bank and in hand		1,014		5,155	
		<u>37,746</u>		<u>88,841</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(90,916)</u>		<u>(83,548)</u>	
<b>Net current (liabilities)/assets</b>			<u>(53,170)</u>		<u>5,293</u>
<b>Total assets less current liabilities</b>			<u>(13,569)</u>		<u>52,040</u>
<b>Capital and reserves</b>					
Called up share capital	9		278,787		278,787
Profit and loss account	10		(292,356)		(226,747)
<b>Shareholders' funds</b>			<u>(13,569)</u>		<u>52,040</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 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 20 September 2002

  
M E Mitchell  
Director

# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

### 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 (effective March 2000).

#### 1.2 Turnover

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

#### 1.3 Goodwill

Acquired goodwill is stated at £1.

#### 1.4 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% Straight line
Fixtures, fittings & equipment	20% Straight line

2	Operating (loss)/profit	2001 £	2000 £
	Operating (loss)/profit is stated after charging:		
	Depreciation of tangible assets	7,146	10,824
	Auditors' remuneration	2,980	2,827
	Directors' emoluments	118,800	81,400
		<u>128,926</u>	<u>95,051</u>
3	Taxation	2001 £	2000 £
	<b>U.K. current year taxation</b>		
	U.K. corporation tax at 0% (2000 - 20%)	-	51
	<b>Prior years</b>		
	U.K. corporation tax	-	36
		<u>-</u>	<u>87</u>

The company has estimated losses of £252,201 (2000 - £185,590) available for carry forward against future trading profits.



# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

### 4 Intangible fixed assets

	Goodwill	Development Costs	Total
	£	£	£
<b>Cost</b>			
At 1 January 2001 & at 31 December 2001	1	366,679	366,680
<b>Amortisation</b>			
At 1 January 2001 & at 31 December 2001	-	327,079	327,079
<b>Net book value</b>			
At 31 December 2001	1	39,600	39,601
At 31 December 2000	1	39,600	39,601

Development costs represents those costs associated with developing the new 'Ezze-Consumables' concept. These costs will remain in the Balance Sheet until a clearly defined commercial product has been identified at which time the costs will be written off over the estimated lifetime of the product.

### 5 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2001 & at 31 December 2001	44,013
<b>Depreciation</b>	
At 1 January 2001	36,867
Charge for the year	7,146
At 31 December 2001	44,013
<b>Net book value</b>	
At 31 December 2001	-
At 31 December 2000	7,146

6 Debtors	2001 £	2000 £
Trade debtors	36,589	75,797
Other debtors	143	7,889
	36,732	83,686

# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

7	Creditors: amounts falling due within one year	2001 £	2000 £
	Bank loans and overdrafts	28,184	5,451
	Trade creditors	4,653	5,786
	Taxation and social security	13,097	20,279
	Payments received on account	-	1,528
	Other creditors	44,982	50,504
		<u>90,916</u>	<u>83,548</u>

### 8 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 £4800 (2000 - £3600).

9	Share capital	2001 £	2000 £
	<b>Authorised</b>		
	278,787 Ordinary shares of £ 1 each	<u>278,787</u>	<u>278,787</u>
	<b>Allotted, called up and fully paid</b>		
	278,787 Ordinary shares of £ 1 each	<u>278,787</u>	<u>278,787</u>

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

	Profit and loss account £
Balance at 1 January 2001	(226,739)
Retained loss for the year	<u>(65,617)</u>
Balance at 31 December 2001	<u>(292,356)</u>

# S M M SOFTWARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

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### 11 Financial commitments

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	2001 £	2000 £
Expiry date:		
Between two and five years	6,187	14,050
	<u>6,187</u>	<u>14,050</u>

### 12 Capital commitments

The company had no capital commitments at 31 December 2000.