

S M M SOFTWARE LIMITED

COMPANY INFORMATION

Directors	M E Mitchell K G Whelan N J Herd (Appointed 26 January 2001)
Secretary	M E Mitchell
Company number	2595903
Registered office	5 Curfew Yard, Thames Street Windsor Berkshire SL4 1SN
Accountants	Foreman & Hill 5 Curfew Yard, Thames Street Windsor Berkshire SL4 1SN
Business address	42A High Street Egham Surrey TW20 9DP

S M M SOFTWARE LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8

S M M SOFTWARE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and financial statements for the year ended 31 December 2000.

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 2000:

M E Mitchell

K G Whelan

N J Herd

(Appointed 26 January 2001)

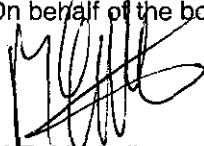
Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2000	1 January 2000
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.

On behalf of the board



M E Mitchell

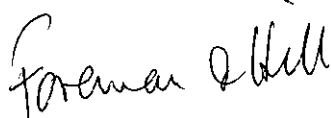
Director

27 March 2001

S M M SOFTWARE LIMITED

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

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2000, 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

2 April 2001

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 2000

		2000 £	1999 £
	Notes		
Turnover		320,330	316,611
Cost of sales		(18,633)	(18,274)
Gross profit		301,697	298,337
Administrative expenses		(262,863)	(295,390)
Operating profit	2	38,834	2,947
Other interest receivable and similar income		406	80
Interest payable and similar charges		(388)	(298)
Profit on ordinary activities before taxation		38,852	2,729
Tax on profit on ordinary activities	3	(87)	(17)
Profit on ordinary activities after taxation	10	38,765	2,712

S M M SOFTWARE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Intangible assets	4		39,601		1
Tangible assets	5		7,146		13,595
			<u>46,747</u>		<u>13,596</u>
Current assets					
Debtors	6	83,686		68,273	
Cash at bank and in hand		5,155		25,435	
		<u>88,841</u>		<u>93,708</u>	
Creditors: amounts falling due within one year	7	(83,548)		(94,030)	
Net current assets/(liabilities)			<u>5,293</u>		<u>(322)</u>
Total assets less current liabilities			<u>52,040</u>		<u>13,274</u>
Capital and reserves					
Called up share capital	9		278,787		278,787
Profit and loss account	10		(226,747)		(265,513)
Shareholders' funds			<u>52,040</u>		<u>13,274</u>

In preparing these financial statements:

- 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;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - 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.

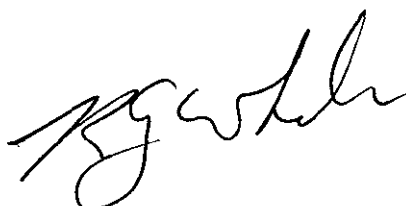
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 27 March 2001

M E Mitchell
Director



K G Whelan
Director



S M M SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2000

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 profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	10,824	9,730
Auditors' remuneration	2,827	2,909
Directors' emoluments	81,400	118,433
	<u>81,400</u>	<u>118,433</u>

3 Taxation

	2000	1999
	£	£
U.K. current year taxation		
U.K. corporation tax at 20% (1999 - 21%)	51	17
Prior years		
U.K. corporation tax	36	-
	<u>87</u>	<u>17</u>

The company has estimated losses of £185,590 (1999 - £224,448) 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 2000

4 Intangible fixed assets

	Goodwill	Development Costs	Total
	£	£	£
Cost			
At 1 January 2000	1	327,079	327,080
Additions	-	39,600	39,600
	<hr/>	<hr/>	<hr/>
At 31 December 2000	1	366,679	366,680
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 January 2000 & at 31 December 2000	-	327,079	327,079
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2000	1	39,600	39,601
	<hr/>	<hr/>	<hr/>
At 31 December 1999	1	-	1
	<hr/>	<hr/>	<hr/>

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

	£
Cost	
At 1 January 2000	39,638
Additions	4,375
	<hr/>
At 31 December 2000	44,013
	<hr/>
Depreciation	
At 1 January 2000	26,043
Charge for the year	10,824
	<hr/>
At 31 December 2000	36,867
	<hr/>
Net book value	
At 31 December 2000	7,146
	<hr/>
At 31 December 1999	13,595
	<hr/>

S M M SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

6 Debtors	2000	1999
	£	£
Trade debtors	75,797	61,925
Other debtors	7,889	6,348
	<u>83,686</u>	<u>68,273</u>
7 Creditors: amounts falling due within one year	2000	1999
	£	£
Bank loans and overdrafts	5,451	-
Trade creditors	5,786	10,883
Taxation and social security	20,279	20,889
Payments received on account	1,528	-
Other creditors	50,504	62,258
	<u>83,548</u>	<u>94,030</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 £3600 (1999 - £2100).		
9 Share capital	2000	1999
	£	£
Authorised		
278,787 Ordinary shares of £ 1 each	<u>278,787</u>	<u>278,787</u>
Allotted, called up and fully paid		
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 2000		(265,512)
Retained profit for the year		38,765
Balance at 31 December 2000		<u>(226,747)</u>

S M M SOFTWARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

11 Financial commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	2000	1999
	£	£
Expiry date:		
Between two and five years	<u>14,050</u>	<u>11,300</u>

12 Capital commitments

The company had no capital commitments at 31 December 2000.