

ABBREVIATED ACCOUNTS

Snowdrop Systems Limited

31 December 1998

Registered in England : Number 2649780



Snowdrop Systems Limited

DIRECTORS

M L Richards

J A Richards

T J Tobin

SECRETARY

M L Richards

AUDITORS

Hurst Morrison Thomson

5 Fairmile

Henley On Thames

Oxfordshire

RG9 2JR

REGISTERED OFFICE

Dunraven House

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Hurst Morrison Thomson

Chartered Accountants

5 Fairmile
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RG9 2JR

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REPORT OF THE AUDITORS to Snowdrop Systems Limited under Section 247b of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of the company for the period ended 31 December 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

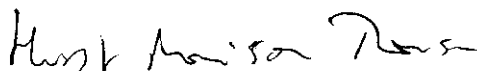
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.



Hurst Morrison Thomson
Chartered Accountants
Registered Auditor
Henley On Thames
20 March 2000

Snowdrop Systems Limited

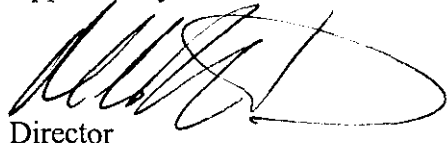
BALANCE SHEET at 31 December 1998

		31 December 1998 £	31 March 1998 £
	Notes		
FIXED ASSETS			
Intangible assets	2	81,969	99,125
Tangible assets	3	104,309	112,890
		<u>370,179</u>	<u>123,101</u>
CURRENT ASSETS			
Stock and work in progress		-	-
Debtors		248,473	422,170
Cash at bank and in hand		2,352	230
		<u>250,825</u>	<u>422,400</u>
CREDITORS: amounts falling due within one year	4	(419,946)	(426,717)
NET CURRENT ASSETS (LIABILITIES)		<u>(169,121)</u>	<u>(4,317)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,157</u>	<u>207,698</u>
CREDITORS: amounts falling due after more than one year	5	(37,215)	(62,131)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation		(7,245)	(7,245)
		<u>£(27,303)</u>	<u>£138,322</u>
CAPITAL AND RESERVES			
Called up share capital	6	85,000	25,000
Profit and loss account		(112,303)	113,322
		<u>£(27,303)</u>	<u>£138,322</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the Board on 2 March 2000


Director

T.J. Bb...

NOTES TO THE ABBREVIATED ACCOUNTS
at 31 December 1998

1 ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less estimated residual value, over its expected useful life, as follows:

Motor vehicles	25% reducing balance
Furniture, fixtures and equipment	15% reducing balance
Computer hardware and software	30% reducing balance

Software Development

Development costs incurred on specific new software programmes are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with expected sales. All other development costs are written off during the year of expenditure.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that taxation will be payable.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase agreements are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease on a straight line basis. It is not considered that this method gives rise to a materially different charge to that based on a constant proportion of the balance of capital repayments outstanding.

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

Pensions

The company operates a defined contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Going Concern

The accounts have been prepared on the going concern basis on the grounds that trading in 1999 has been profitable.

NOTES TO THE ABBREVIATED ACCOUNTS
at 31 December 1998

2 INTANGIBLE FIXED ASSETS

	<i>Software development expenditure £</i>
Cost	
At 1 April 1998 and 31 December 1998	122,000
Depreciation	
At 1 April 1998	22,875
Provided in the period	17,156
At 31 December 1998	£40,031
Net book value	
At 31 December 1998	£81,969
At 31 March 1998	£99,125

3 TANGIBLE FIXED ASSETS

	<i>Total £</i>
Cost	
At 1 April 1998	198,519
Additions	13,097
At 31 December 1998	£211,616
Depreciation	
At 1 April 1998	85,629
Provided in the year	21,678
At 31 December 1998	£107,307
Net book value	
At 31 December 1998	£104,309
At 31 March 1998	£112,890

The net book value of above includes an amount of £34,719 (March 1998: £40,839) in respect of assets held under finance leases and hire purchase agreements.

NOTES TO THE ABBREVIATED ACCOUNTS
at 31 December 1998

- 4 CREDITORS:** amounts falling due within one year
 Included in creditors are the following:

	<i>31 December 1998</i>	<i>31 March 1998</i>
	£	£
Bank overdraft (see note 5)	68,547	29,258
Hire Purchase (see note 5)	15,468	16,460
	<u>£84,015</u>	<u>£45,718</u>

- 5 CREDITORS:** amounts falling due after more than one year

	<i>31 December 1998</i>	<i>31 March 1998</i>
	£	£
Obligations under finance leases and hire purchase agreements (see below)	10,548	22,131
Bank loans (see below)	26,667	40,000
	<u>£37,215</u>	<u>£62,131</u>

The hire purchase liabilities are secured on the assets financed. The bank loan and overdraft are secured by a fixed and floating charge over the assets of the business.

6 SHARE CAPITAL

	<i>31 December 1998</i>	<i>Authorised 31 March 1998</i>	<i>31 December 1998</i>	<i>Allotted, called up and fully paid 31 March 1998</i>
	No.	No.	£	£
Ordinary shares of £1 each	100,000	100,000	25,000	25,000
Preference shares of £1 each	60,000	-	60,000	-
	<u>160,000</u>	<u>100,000</u>	<u>£85,000</u>	<u>£25,000</u>

During the period 60,000 Preference shares of £1 each were issued at par.