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**DATA INTEGRATION LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2000**



# DATA INTEGRATION LIMITED

## COMPANY INFORMATION

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**Directors**

S Crumplin  
J S W Grazebrook

**Secretary**

J S W Grazebrook

**Company number**

2767639

**Registered office**

18 Northfields  
London  
SW18 4DD

**Auditors**

Windsor Stebbing Marsh  
Pinnacle House  
17-25 Hartfield Road  
Wimbledon  
London  
SW19 3SE

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# DATA INTEGRATION LIMITED

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# DATA INTEGRATION LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2000

The directors present their report and the audited financial statements for the company for the year ended 31st March 2000.

### Principal activities and review of business

The company's principal activity during the year was the supply, installation and support of data communication equipment.

### Results and dividends

The results for the year are set out in the profit and loss account on page 3.

The directors consider the profit achieved on ordinary activities before taxation to be £313,940.

The directors consider the state of the company's affairs to be satisfactory.

The directors recommend dividends amounting to £99,900 (1999: £-) and the retained profit of £151,257 will be added to reserves.

### Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 31st March 2000	At 1st April 1999
S Crumplin	Ordinary shares	120,670	12,067
J S W Grazebrook	Ordinary shares	30,830	3,083

On 30 September 1999, S Crumplin and J S W Grazebrook were granted the option to acquire 25,000 ordinary £0.10p shares each for £1.50 per share ( Note 16). This option is exercisable from 30 September 2002.

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements 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.

By order of the Board

J S W Grazebrook, Secretary

Date: 22/06/00

# AUDITORS' REPORT TO THE SHAREHOLDERS OF DATA INTEGRATION LIMITED

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We have audited the financial statements on pages 3 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

## Respective responsibilities of directors and auditors

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

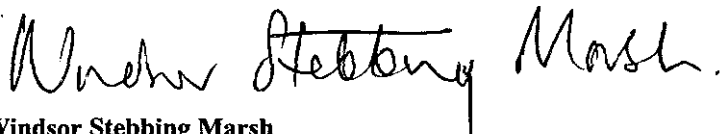
## Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 the information in the financial statements.

## Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Windsor Stebbing Marsh  
Chartered Accountants and Registered Auditors  
Pinnacle House  
17-25 Hartfield Road  
Wimbledon  
London  
SW19 3SE  
Date: 26 June 2000

# DATA INTEGRATION LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2000

	Notes	2000 £	1999 £
<b>Turnover</b>	2	3,759,631	2,468,394
Cost of sales		(2,735,054)	(1,744,660)
<b>Gross profit</b>		<b>1,024,577</b>	<b>723,734</b>
Administrative expenses		(712,391)	(622,878)
<b>Operating profit</b>	3	<b>312,186</b>	<b>100,856</b>
Interest receivable	4	2,246	-
Interest payable and similar charges	5	(492)	(1,303)
<b>Profit on ordinary activities before taxation</b>		<b>313,940</b>	<b>99,553</b>
Tax on profit on ordinary activities	7	(62,783)	(28,609)
<b>Profit for the financial year</b>		<b>251,157</b>	<b>70,944</b>
Dividends	8	(99,900)	-
<b>Retained profit for the year</b>	17	<b>151,257</b>	<b>70,944</b>

All amounts relate to continuing activities.

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

# DATA INTEGRATION LIMITED

## BALANCE SHEET

AS AT 31ST MARCH 2000

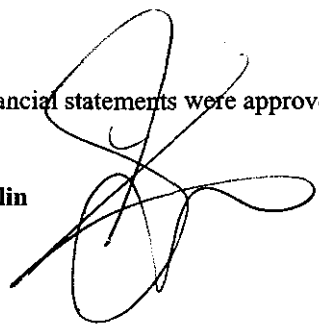
	Notes	£	2000 £	£	1999 £
<b>Fixed assets</b>					
Tangible assets	9		179,971		16,208
			<u>179,971</u>		<u>16,208</u>
<b>Current assets</b>					
Stocks	10	195,693		38,720	
Debtors	11	800,756		547,849	
Cash at bank and in hand		172,856		194,175	
		<u>1,169,305</u>		<u>780,744</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(988,023)</u>		<u>(673,371)</u>	
<b>Net current assets</b>			<u>181,282</u>		<u>107,373</u>
<b>Total assets less current liabilities</b>			<u>361,253</u>		<u>123,581</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(86,415)</u>		<u>-</u>
			<u>274,838</u>		<u>123,581</u>
<b>Capital and reserves</b>					
Share capital	16		5,790		5,790
Share premium account	17		19,268		19,269
Other reserves - equity	17		8,500		8,500
Profit and loss account	17		241,280		90,022
<b>Shareholders' funds</b>	18		<u>274,838</u>		<u>123,581</u>

These financial statements were approved by the board on

22/06/00

and signed on its behalf by:

S Crumplin  
Director



The notes on pages 5 to 10 form part of these financial statements.

# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

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### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

#### Depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, by equal annual instalments by straight line method over their expected useful lives:

Leasehold improvements	25% Straight line
Motor vehicles	25% Straight line
Fixtures and fittings	20% Straight line
Computer hardware and software	20% and 25% Straight line

#### Stocks

Stocks are stated at the lower of cost and net realisable value.

#### Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

#### Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

#### Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.



# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

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### 2 Turnover

The turnover and operating profit for the year were derived from the company's principal activity which was carried out wholly in the UK.

### 3 Operating profit

*The operating profit is stated after charging or crediting:*

	2000	1999
	£	£
Depreciation of tangible fixed assets:		
-owned assets	10,359	6,583
-assets held under finance leases and hire purchase	5,401	-
Hire of equipment	15,871	7,609
Operating leases:		
-land and buildings	36,056	11,347
Auditors' remuneration	5,550	5,225

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### 4 Interest receivable

	2000	1999
	£	£
Bank interest receivable	2,246	-

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### 5 Interest payable and similar charges

	2000	1999
	£	£
Interest payable on other loans	492	1,303
	492	1,303

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# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

### 6 Directors and employees

Staff costs, including directors' remuneration, were as follows:

	2000	1999
	£	£
Social security costs	38,403	25,107
Other costs	384,843	369,022
	<u>423,246</u>	<u>394,129</u>

Directors' emoluments

	2000	1999
	£	£
Aggregate emoluments	103,521	61,995
	<u>103,521</u>	<u>61,995</u>

### 7 Taxation

	2000	1999
	£	£
Based on the profit for the year:		
UK corporation tax at 20% (1999: 20%)	62,783	28,609
	<u>62,783</u>	<u>28,609</u>

### 8 Dividends

	2000	1999
	£	£
Equity dividends		
Ordinary dividends - paid	99,900	-
Total equity dividends	<u>99,900</u>	<u>-</u>

# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

### 9 Tangible fixed assets

	Long leasehold land and buildings £	Motor vehicles £	Fixtures fittings and equipment £	Total £
<b>Cost</b>				
At 1st April 1999	-	-	27,270	27,270
Additions	4,700	69,864	104,959	179,523
<b>At 31st March 2000</b>	<b>4,700</b>	<b>69,864</b>	<b>132,229</b>	<b>206,793</b>
<b>Depreciation</b>				
At 1st April 1999	-	-	11,062	11,062
Charge for the year	715	2,911	12,134	15,760
<b>At 31st March 2000</b>	<b>715</b>	<b>2,911</b>	<b>23,196</b>	<b>26,822</b>
<b>Net book value</b>				
<b>At 31st March 2000</b>	<b>3,985</b>	<b>66,953</b>	<b>109,033</b>	<b>179,971</b>
<i>At 31st March 1999</i>	<i>-</i>	<i>-</i>	<i>16,208</i>	<i>16,208</i>

Assets held under finance leases and hire purchase originally cost £119,661 and have a net book value of £114,260.  
Depreciation charged for the year was £5,401.

### 10 Stocks

	2000 £	1999 £
Finished goods	195,693	38,720
	<b>195,693</b>	<b>38,720</b>

### 11 Debtors

	2000 £	1999 £
Trade debtors	791,984	531,485
Other debtors	692	2,142
Prepayments and accrued income	8,080	14,222
	<b>800,756</b>	<b>547,849</b>

# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

12	Creditors: amounts falling due within one year	2000	1999
		£	£
	Trade creditors	660,014	474,364
	Other creditors	-	5,610
	Accruals and deferred income	189,101	82,942
	Corporation tax	62,783	21,984
	Other taxes and social security	53,313	60,823
	Obligations under hire purchase and finance lease (Note 15)	22,812	-
	Directors' current accounts	-	27,648
		<u>988,023</u>	<u>673,371</u>

The bank overdraft is secured by a debenture over the company's assets and is joint and severally guaranteed by the directors of the company.

13	Creditors: amounts falling due after more than one year	2000	1999
		£	£
	Obligations under hire purchase and finance lease (Note 15)	86,415	-
		<u>86,415</u>	<u>-</u>

14	Loans and borrowings	2000	1999
		£	£
	Analysis of loans		
	Obligations under hire purchase and finance lease	109,227	-
		<u>109,227</u>	<u>-</u>

15	Obligations under hire purchase and finance leases	2000	1999
		£	£
	Obligations under hire purchase contracts and finance leases are analysed between amounts payable:		
	In the next year	22,812	-
	In the second to fifth years inclusive	86,415	-
		<u>109,227</u>	<u>-</u>

# DATA INTEGRATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2000

<b>16</b>	<b>Share capital</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	<b>Equity shares</b>		
	1,000,000 Ordinary shares of £0.10 each	<b>100,000</b>	<b>100,000</b>
		<b>100,000</b>	<b>100,000</b>
	<b>Allotted</b>		
	<b>Equity shares</b>		
	166,500 Allotted, called up and partly paid ordinary shares of £0.10 each	<b>5,790</b>	<b>5,790</b>
		<b>5,790</b>	<b>5,790</b>

On 31 January 2000, pursuant to an Extra Ordinary General Meeting a resolution was passed to subdivide the Authorised Share Capital of 100,000 ordinary shares of £1 each into 1,000,000 ordinary shares of 10 pence each.

The company set up an unapproved share option scheme with an effective date of 30 September 1999. 61,000 ordinary shares were allocated at a Strike price of £1.50. These options are exercisable from 30 September 2002.

<b>17</b>	<b>Reserves</b>	<b>Share premium account</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	At 1st April 1999	19,268	8,500	90,023
	Profit for the year	-	-	151,257
	<b>At 31st March 2000</b>	<b>19,268</b>	<b>8,500</b>	<b>241,280</b>

<b>18</b>	<b>Reconciliation of movement in shareholders' funds</b>	<b>2000</b>	<b>1999</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	<b>251,157</b>	<b>70,944</b>
	Dividends	<b>(99,900)</b>	<b>-</b>
	Issue of share capital	<b>-</b>	<b>3,623</b>
	<b>Increase in the shareholders' funds</b>	<b>151,257</b>	<b>74,567</b>
	Opening shareholders' funds	<b>123,581</b>	<b>49,014</b>
	<b>Closing shareholders' funds</b>	<b>274,838</b>	<b>123,581</b>