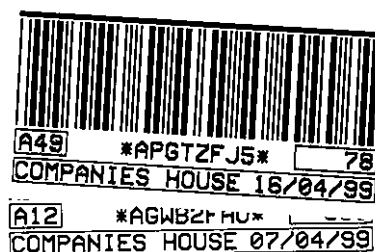


Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

Company Number 2783810



Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

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Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

Directors R M C Scott
 J J Cutmore

Company Secretary R M C Scott

Registered Office Silchester House
 Silchester
 RG7 2LT

Bankers Barclays Bank
 93 Baker Street
 London W1

Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

Report of the Directors

The directors present their report and financial statements for the year ended 30 June 1998.

Principal Activities

The company's principal activities continued to be that of identifying, recommending and preparing persons for non-executive directorships.

Directors

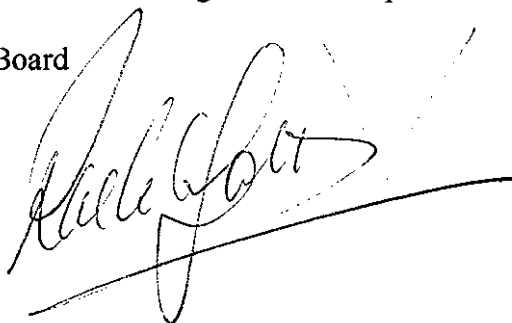
The directors of the company for the year under review together with a note of their interest in the securities of the company at the beginning and end of the year were as follows:

	Ordinary shares of 1p each	
	1 July 1997	30 June 1998
R M C Scott	100	100
J J Cutmore	100	100

The above report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board

R M C Scott
31 March 1999.

A handwritten signature in black ink, appearing to read 'R M C Scott', is written over a horizontal line.

Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

Profit and Loss Account
For the year ended 30 June 1998

		1997
Sales	131,635	200,724
Direct Expenses		
Consultancy Fees	35,163	48,431
Catering	2,555	
Expenses recharged	484	1,029
Gross Profit	93,433	151,264
Overheads		
Entertainment	761	1,570
Advertising etc		443
Telephone	4,713	2,064
Printing & Stationery	3,635	7,394
Books & Magazines	32	
Legal & Professional		1,350
Audit and Accountancy	3,409	2,300
Bookkeeping	249	1,630
Computer Costs	568	
Maintenance and repairs	6,041	602
Sundry trade expenses	152	653
Subscriptions		179
Bank Interest Paid	171	
Bank Charges	464	236
Depreciation	8,648	8,107
Wages	4,932	3,695
Light & Heat	1,768	
Insurance	976	
Premises		-10,508
Postage & Carriage	700	
VAT surcharge		150
Total overheads	37,219	19,865
Net Profit before Tax	56,214	131,399
Corporation Tax	10,930	24,568
Retained profit for the period	45,284	106,831

Prowess Ltd
Report and Financial Statements
Year ended 30 June 1998

Balance Sheet
as at 30 June 1998

		1997
Fixed Assets	262,006	278,368
Current Assets		
Trade debtors	1,523	8,012
Cash at bank and in hand	18	0
	1,541	8,012
Creditors		
All falling due within one year		
Trade creditors	8,668	3,464
Tax and social security	16,443	38,339
VAT	96	
Bank overdraft	3,094	3,567
Accruals and deferred income		<u>51,050</u>
	28,301	96,420
Net Current Liabilities	<u>-26,760</u>	<u>-88,408</u>
Net Assets	235,246	189,960
Capital and Reserves		
Share Capital issued and fully paid	2	2
Profit and Loss Account	<u>235,244</u>	<u>189,958</u>
	235,246	189,960

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A (1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 June 1998 and of its profit for the year then ended in accordance with the requirements of section 226 and otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

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

Approved by the Board on 31 March 1999 and signed on its behalf by:

J J Cutmore



The notes set out on pages 6 to 8 form an integral part of these accounts.

1 Accounting policies

a) Basis of accounts

These accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing a cash flow statement on the grounds that the company qualifies as a small company.

b) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives to the business at the following rates.

Computer	25% straight line
Equipment	15% reducing balance
Improvements to freehold	over 50 years

c) Deferred taxation

No provision has been made for deferred taxation as the directors have taken the view that deferred taxation arising from timing differences on capital allowances is unlikely to become payable in the foreseeable future.

d) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

2 Operating Profit

Operating profit is stated after charging:

	1998	1997
Depreciation	8,648	8,107

3. Directors' remuneration

The Directors took no remuneration in the year.

4. Taxation

Taxation is based on profits for the year

And comprises:

UK corporation tax at 21% (1997 23.25%)	10,193	24,996
Underprovision in prior years	737	

5. Dividends

No dividends were declared or paid.

6. Fixed Assets

	Improvements to freehold property	Computer	Equipment	Total
COST				
At 1 July 1997	281379	5702	7679	294760
Additions	9245	997	1166	11408
Disposals	<u>-19122</u>	<u>0</u>	<u>0</u>	<u>-19122</u>
At 30 June 1998	271502	6699	8845	287046
DEPRECIATION				
At 1 July 1997	10349	4892	1151	16392
Charged in year	<u>5820</u>	<u>1674</u>	<u>1154</u>	<u>8648</u>
At 30 June 1998	16169	6566	2305	25040
NET BOOK VALUE				
At 30 June 1998	<u>255333</u>	<u>133</u>	<u>6540</u>	<u>262006</u>
At 30 June 1997	<u>271030</u>	<u>810</u>	<u>6528</u>	<u>278368</u>

7. Share Capital

Authorised issued and fully paid:	1998	1997
	£	£
200 ordinary shares of 1p each	2	2

8. Reconciliation of movement in Shareholders Funds

Shareholders' funds at 1 July 1997	189,960	83,129
Profit for the year	<u>45,284</u>	<u>106,831</u>
Shareholders' Funds at 30 June 1998	235,244	189,960

9. Controlling parties

The company is under the joint control of R M C Scott and J J Cutmore, both of whom were directors throughout the whole year and the previous year. Their interest in the company's share capital is disclosed in the directors' report.