

PREACT LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1995

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ACCOUNTANTS' REPORT TO THE SHAREHOLDERS OF
PREACT LIMITED

Abbreviated accounts: Accountants Report

The following reproduces the text of the Accountants' Report prepared for the purposes of Section 249A(2) Companies Act 1985 in respect of the company's annual accounts, from which the abbreviated accounts set out on pages 2 to 5 have been prepared.

**"Accountants' Report to the shareholders
on the unaudited accounts of
PREACT LIMITED**

We report on the accounts for the year ended 30 June, 1995 set out on pages 4 to 10.

Respective responsibilities of the directors and reporting accountants

As described on page 2, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

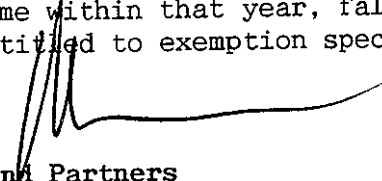
Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985, as amended;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of the companies not entitled to exemption specified in section 249B(1).


Mason and Partners
Reporting Accountants
Iver House
Middlegreen Estate
Middlegreen Road
Slough
Berks SL3 6DF

Date : 7 June 1996

PREACT LIMITED

ABBREVIATED BALANCE SHEET AT 30 JUNE 1995

	Note	1995 £	£	1994 £	£
Fixed assets	2				
Tangible assets			7,492		3,467
Current assets					
Debtors		73,507		54,993	
Cash at bank and in hand		72		-	
		<u>73,579</u>		<u>54,993</u>	
Creditors: amounts falling due within one year		87,226		53,549	
Net current (liabilities)/assets			(13,647)		1,444
Total assets less current liabilities (being net (liabilities)/assets)			<u>(6,155)</u>		<u>4,911</u>
Capital and reserves					
Called up share capital	3	75		75	
Profit & loss account		(6,230)		4,836	
		<u></u>		<u></u>	
Shareholders funds			(6,155)		4,911
			<u>(6,155)</u>		<u>4,911</u>

For the financial year ended 30 June, 1995, the company was entitled to the exemption from audit under section 249A(2) of the Companies Act 1985, and no notice has been deposited under Section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of the Companies Act 1985, so far as applicable to the company.

The directors have taken advantage of exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part I of Schedule 8 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

The financial statements on pages 2 to 5 were approved by the board of directors on the date shown below and were signed on its behalf by:

I A Mitchener
Director

Date : 7 June 1996

PREACT LIMITED

NOTES (forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost accounting rules.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Plant and machinery	- 25% reducing balance
Fixtures and Fittings	- 25% reducing balance

Leases

Rental charges on leases accounted for as 'operating leases' as defined by SSAP 21, are charged to the profit and loss account in the period incurred.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Pension costs

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts, excluding Value Added Tax, derived from the provision of goods and services to customers during the year.

PREACT LIMITED

NOTES (Continued)

2. Abbreviated fixed assets

Tangible
fixed
assets
£

Cost :

At 1 July 1994

5,289

Additions

5,715

At 30 June, 1995

11,004

Depreciation :

At 1 July 1994

1,822

Charge for the year

1,690

At 30 June, 1995

3,512

Net book value :

At 30 June, 1995

7,492

At 30 June, 1994

3,467

PREACT LIMITED

NOTES (continued)

3. Called up share capital

	1995 £	1994 £
Authorised Ordinary shares of £1.00 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid Ordinary shares of £1.00 each	75	75
	<hr/>	<hr/>

4. Transactions with Directors and Officers

Loans to Directors

During the year the following directors were granted interest free loans which were repayable on demand. Indebtedness on the loans was as follows:

	Liability at 1994 £	Maximum Liability During the year £	Liability at 1995 £
T Russell-Jones	343	955	-
T Liney (resigned 26/9/95)	4,522	9,786	8,952
	<hr/>	<hr/>	<hr/>