

Company Number: 02824670

**ADVANCED COMPUTER GROUP LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 30 JUNE 1999**



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27/04/00

Chartered Accountants

# ADVANCED COMPUTER GROUP LIMITED

## COMPANY INFORMATION

<b>Directors</b>	Mr M H T Robinson Ms S N Nair
<b>Secretary</b>	Mr M H T Robinson
<b>Company Number</b>	02824670
<b>Registered Office</b>	15 St Helen's Place London EC3A 6DE
<b>Auditors</b>	Pannell Kerr Forster Chartered Accountants Pannell House 6 Queen Street Leeds LS1 2TW
<b>Solicitors</b>	Peter Levine Solicitors Suite 23 6-8 York Place Leeds LS1 2DS
<b>Bankers</b>	Barclays Bank PLC Strand Business Centre Burleigh House PO Box 90 357 The Strand London WC2R 0NX

# ADVANCED COMPUTER GROUP LIMITED

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# **ADVANCED COMPUTER GROUP LIMITED**

## **DIRECTORS' REPORT YEAR ENDED 30 JUNE 1999**

The directors submit their report and the financial statements for the year ended 30 June 1999.

### **Principal activity**

The principal activity of the company during the year was the provision of consultancy services and training in respect of computers.

### **Directors**

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year were:

	Ordinary £1 shares	
	1999	1998
Mr M H T Robinson	15	15
Ms S N Nair	15	15

No rights to subscribe for shares in the company were granted or exercised during the year.

### **Year 2000 conformity**

The company has assessed the potential impact of the year 2000 date change on its business, including its own systems and products, and on its suppliers and customers. The directors do not believe that there are any associated material risks or uncertainties, and will continue to keep the situation under review although no further significant action is anticipated.

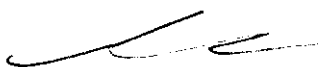
### **Auditors**

The auditors, Pannell Kerr Forster, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

### **Basis of preparation**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



Secretary

20 April 2000

**M H T Robinson**

**ADVANCED COMPUTER GROUP LIMITED**  
**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 of the company for that period. 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
ADVANCED COMPUTER GROUP LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards. 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 the 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 information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 June 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PANNELL KERR FORSTER**  
Chartered Accountants  
Registered Auditors

Leeds

25 April 2000

**ADVANCED COMPUTER GROUP LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 1999**

	Notes	1999 £	1998 £
<b>TURNOVER</b>	<b>2</b>	<b>1,617,387</b>	<b>1,041,496</b>
Cost of sales		<b>(513,171)</b>	<b>(431,986)</b>
<b>GROSS PROFIT</b>		<b>1,104,216</b>	<b>609,510</b>
Administrative expenses		<b>(969,321)</b>	<b>(553,246)</b>
Other operating income		-	5,592
<b>OPERATING PROFIT</b>	<b>3</b>	<b>134,895</b>	<b>61,856</b>
Income from shares in group undertakings		-	222,479
Interest receivable and similar items		<b>4,087</b>	4,744
Interest payable and similar items		<b>(314)</b>	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>138,668</b>	<b>289,079</b>
<b>TAXATION</b>		<b>(18,087)</b>	<b>(23,055)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>120,581</b>	<b>266,024</b>
<b>DIVIDENDS</b>	<b>5</b>	<b>(40,000)</b>	-
<b>RETAINED PROFIT FOR THE YEAR</b>		<b>80,581</b>	<b>266,024</b>

All amounts relate to continuing operations.

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

# ADVANCED COMPUTER GROUP LIMITED

## BALANCE SHEET

30 JUNE 1999

	Notes	1999 £	1998 £
<b>FIXED ASSETS</b>			
Tangible	6	74,225	13,594
Investments	7	78	77
		<u>74,303</u>	<u>13,671</u>
<b>CURRENT ASSETS</b>			
Stocks	8	3,250	13,000
Debtors [due after more than one year £59,381 1998 Nil]	9	518,208	372,560
Cash at bank and in hand		108,161	85,925
		<u>629,619</u>	<u>471,485</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(364,032)</u>	<u>(225,847)</u>
<b>NET CURRENT ASSETS</b>		<u>265,587</u>	<u>245,638</u>
<b>NET ASSETS</b>		<u><u>339,890</u></u>	<u><u>259,309</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	30	30
Capital redemption reserve		70	70
Profit and loss account	12	339,790	259,209
<b>SHAREHOLDERS' FUNDS</b>	13	<u><u>339,890</u></u>	<u><u>259,309</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 20 April 2000

Signed on behalf of the board of directors



Director

**M H T Robinson**



**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**(b) Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

**(c) 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer & office equipment	33 % per annum straight line
Fixtures & fittings	33 % per annum straight line

**(d) Operating leases**

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

**(e) Investments**

Fixed asset investments are included in the company's balance sheet at cost.

**(f) Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

**(g) Deferred taxation**

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**2 TURNOVER**

Turnover is attributable to one class of business.

All turnover arose within the United Kingdom.

**3 OPERATING PROFIT**

The operating profit is stated after charging:

	1999	1998
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	13,740	23,360
Audit fees	7,900	7,000
Operating lease rentals:		
- plant & machinery	-	10,516
- other	31,873	9,400
	<u>31,873</u>	<u>9,400</u>

**4 DIRECTORS' EMOLUMENTS AND BENEFITS**

	1999	1998
	£	£
Aggregate of directors' emoluments and other benefits as defined in paragraph 1 of Schedule 6 to the Companies Act 1985	91,536	93,118
	<u>91,536</u>	<u>93,118</u>

No directors (1998 - none) were members of company pension schemes.

A total of **£NIL** (1998 - £29,500) was paid to a former director as compensation for loss of office and in 1998 an additional payment of £63,000 was paid to a company controlled by a former director for consultancy services.

**5 DIVIDENDS**

	1999	1998
	£	£
<b>Ordinary shares</b>		
Dividends paid	40,000	-
	<u>40,000</u>	<u>-</u>

**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**6 TANGIBLE FIXED ASSETS**

	Computer & office equipment	Fixtures & fittings	Total
	£	£	£
<b>Cost</b>			
At 1 July 1998	71,357	-	71,357
Additions	49,963	24,408	74,371
	<hr/>	<hr/>	<hr/>
At 30 June 1999	121,320	24,408	145,728
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 July 1998	57,763	-	57,763
Charge for year	9,085	4,655	13,740
	<hr/>	<hr/>	<hr/>
At 30 June 1999	66,848	4,655	71,503
	<hr/>	<hr/>	<hr/>
<b>Net book amount</b>			
At 30 June 1999	54,472	19,753	74,225
	<hr/>	<hr/>	<hr/>
At 30 June 1998	13,594	-	13,594
	<hr/>	<hr/>	<hr/>

**7 FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>Cost</b>	
At 1 July 1998	77
Additions	1
	<hr/>
At 30 June 1999	78
	<hr/>

Investments represent the cost of shares in Advanced Computer Management Limited, Advanced Computer Education Limited and I. T. Integrity Limited, companies incorporated in Great Britain. The investments comprise a holding of 100% of the issued ordinary share capital and voting rights of each company Advanced Computer Management Limited, Advanced Computer Education Limited and I. T. Integrity Limited (1998 - 75%). I.T. Integrity Limited provides computer recruitment activities and the other two subsidiaries are dormant.

During its latest financial year Advanced Computer Management Limited made a profit after tax of **£NIL** (1998 -£62,631) and at the end of that year the aggregate of its capital and reserves was **£51** (1998 - £51). Advanced Computer Education Limited made a profit after tax of **£NIL** (1998 - £9,686) and at the end of that year the aggregate of its capital and reserves was **£51** (1998 - £51). I. T. Integrity Limited made a profit after tax for the year of **£57,989** (1998 - £(23,436)) and at the end of the financial year the aggregate of its capital and reserves was **£34,653** (1998 - £(23,336)).

**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**8 STOCKS**

	1999 £	1998 £
Work in progress	<u>3,250</u>	<u>13,000</u>

**9 DEBTORS**

	1999 £	1998 £
Trade debtors	417,378	317,954
Amounts due from group undertakings	2,445	35,440
Other debtors	98,385	11,967
ACT recoverable	-	7,199
	<u>518,208</u>	<u>372,560</u>

Included in debtors are amounts of **£59,381** (1998 - £NIL) falling due after more than one year from the balance sheet date.

**10 CREDITORS:**

**Amounts falling due within one year**

	1999 £	1998 £
Bank loans and overdrafts	-	18,416
Trade creditors	132,310	76,643
Amounts owed to group undertakings	102	102
Corporation tax	51,171	43,037
Other tax and social security	65,431	56,084
Other creditors	64,469	8,415
Accruals and deferred income	50,549	23,150
	<u>364,032</u>	<u>225,847</u>

**11 SHARE CAPITAL**

	Authorised £	Allotted, called up and fully paid No.	£
At 1 July 1998 and 30 June 1999			
Ordinary shares of £1 each	<u>1,000</u>	<u>30</u>	<u>30</u>

**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**12 RESERVES**

<b>Profit and loss account</b>	<b>£</b>
At 1 July 1998	259,209
Profit for the year	120,581
Dividends	(40,000)
	<hr/>
At 30 June 1999	339,790
	<hr/> <hr/>

**13 SHAREHOLDERS' FUNDS**

	1999 £	1998 £
Shareholders' funds at 1 July 1998	259,309	43,285
Profit for the year	120,581	266,024
Dividends	(40,000)	-
Other movements:		
Purchase of own shares	-	(50,000)
	<hr/>	<hr/>
Shareholders' funds at 30 June 1999	339,890	259,309
	<hr/> <hr/>	<hr/> <hr/>

**14 OTHER COMMITMENTS**

At 30 June 1999 the company had annual commitments under operating leases as follows:

	Land and buildings 1999 £	1998 £
<b>Expiry date:</b>		
Between 1 and 5 years	79,175	-
	<hr/> <hr/>	<hr/> <hr/>

**15 TRANSACTIONS WITH RELATED PARTIES**

Included within creditors is a loan of **£68,886** (1998 - £NIL) from Mr M H T Robinson, director. This relates to an interest free loan to the company of £59,281 and expenses paid on behalf of the company. The maximum amount owed during the year was **£68,886**.

Also included within creditors is a balance of **£1,572** from Ms S N Nair, a director, in respect of expenses paid on behalf of the company. The maximum amount owed during the year was **£1,572**.

**ADVANCED COMPUTER GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 1999**

**15 TRANSACTIONS WITH RELATED PARTIES (continued)**

At 30 June 1999 **£2,445** (1998 - £35,440) was due from IT Integrity Limited, a subsidiary undertaking. This relates to trading between the companies on an arms length basis and the payment of expenses by the company on behalf of IT Integrity Limited.

At 30 June 1999 **£51** (1998 - £51) was due to Advanced Computer Education Limited and **£51** (1998 - £51) was due to Advanced Computer Management Limited, both subsidiary undertakings. The companies do not trade with each other and the balances have not moved during the year.

An amount of £50,000 was paid to a former director for shares redeemed during the previous year.

**16 EMPLOYEE LOANS**

At the end of the year, there were no outstanding loans (1998 - £7,267 due from 3 employees).

**17 PARENT UNDERTAKINGS AND CONTROLLING PARTIES**

The company is controlled by Mr M H T Robinson and Ms S N Nair.