

REGISTERED NUMBER: 2885872 (England and Wales)

SINGER DANTON & HAMILTON LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1998



SINGER DANTON & HAMILTON LIMITED

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for the year ended 31st December 1998

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SINGER DANTON & HAMILTON LIMITED

COMPANY INFORMATION
for the year ended 31st December 1998

DIRECTORS:

E Singer
J M Danton

SECRETARY:

Walgate Services Limited

REGISTERED OFFICE:

38 Lombard Street
London
EC3V 9BS

REGISTERED NUMBER:

2885872 (England and Wales)

AUDITORS:

Cameron Baum
Chartered Accountants
Registered Auditors
146 New Cavendish Street
London
W1M 7FG



SINGER DANTON & HAMILTON LIMITED

REPORT OF THE DIRECTORS
for the year ended 31st December 1998

The directors present their report with the financial statements of the company for the year ended 31st December 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of executive recruitment.

DIRECTORS

The directors during the year under review were:

E Singer
J M Danton

The directors holding office at 31st December 1998 did not hold any beneficial interest in the issued share capital of the company at 1st January 1998 or 31st December 1998.

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.

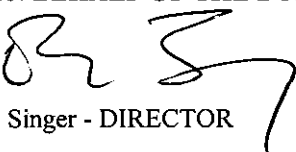
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Cameron Baum, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:



E Singer - DIRECTOR

Dated: 29th October 1999



SINGER DANTON & HAMILTON LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
SINGER DANTON & HAMILTON LIMITED

We have audited the financial statements on pages four to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two 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.

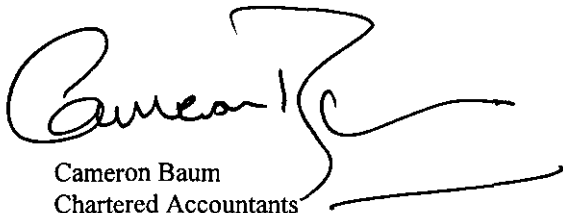
Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 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 the company's affairs as at 31st December 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Cameron Baum
Chartered Accountants
Registered Auditors
146 New Cavendish Street
London
W1M 7FG

Dated: 29th October 1999

SINGER DANTON & HAMILTON LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31st December 1998

| | | <u>1998</u> | <u>1997</u> |
|---|-------|------------------------|------------------------|
| | Notes | £ | £ |
| TURNOVER | | - | 33,506 |
| GROSS PROFIT | | - | 33,506 |
| Administrative expenses | | <u>3,671</u> | <u>28,699</u> |
| OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 2 | (3,671) | 4,807 |
| Tax on (loss)/profit on ordinary activities | 3 | <u>(749)</u> | <u>895</u> |
| (LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | (2,922) | 3,912 |
| Deficit brought forward | | <u>(1,546)</u> | <u>(5,458)</u> |
| DEFICIT CARRIED FORWARD | | <u><u>£(4,468)</u></u> | <u><u>£(1,546)</u></u> |

The notes form part of these financial statements



SINGER DANTON & HAMILTON LIMITED

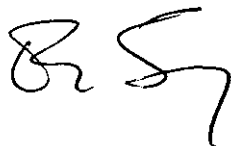
BALANCE SHEET
31st December 1998

| | | 1998 | | 1997 | |
|---|-------|--------------|-----------------|---------------|-----------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 4 | | 67 | | 90 |
| CURRENT ASSETS: | | | | | |
| Debtors | 5 | 971 | | 3,714 | |
| Cash at bank | | 1,815 | | 5,977 | |
| | | <u>2,786</u> | | <u>9,691</u> | |
| CREDITORS: Amounts falling due within one year | 6 | <u>7,319</u> | | <u>11,325</u> | |
| NET CURRENT LIABILITIES: | | | <u>(4,533)</u> | | <u>(1,634)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | <u>£(4,466)</u> | | <u>£(1,544)</u> |
| CAPITAL AND RESERVES: | | | | | |
| Called up share capital | 7 | | 2 | | 2 |
| Profit and loss account | | | <u>(4,468)</u> | | <u>(1,546)</u> |
| Shareholders' funds | | | <u>£(4,466)</u> | | <u>£(1,544)</u> |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

ON BEHALF OF THE BOARD:

E Singer - DIRECTOR



Approved by the Board on 29th October 1999

The notes form part of these financial statements

SINGER DANTON & HAMILTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on reducing balance

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. OPERATING (LOSS)/PROFIT

The operating loss (1997 - operating profit) is stated after charging:

| | 1998 | 1997 |
|--|--------------|--------------|
| | £ | £ |
| Depreciation - owned assets | 23 | 30 |
| Auditors' remuneration | <u>1,250</u> | <u>1,400</u> |
| Directors' emoluments and other benefits etc | <u>-</u> | <u>1,353</u> |

3. TAXATION

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

| | 1998 | 1997 |
|--------------------|--------------|------------|
| | £ | £ |
| UK corporation tax | <u>(749)</u> | <u>895</u> |

UK corporation tax has been charged at 0% (1997 - 24%).



SINGER DANTON & HAMILTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 1998

4. TANGIBLE FIXED ASSETS

| | Plant and machinery |
|---|------------------------|
| | £ |
| COST: | |
| At 1st January 1998 and 31st December 1998 | 267 |
| DEPRECIATION: | |
| At 1st January 1998 | 177 |
| Charge for year | 23 |
| At 31st December 1998 | 200 |
| NET BOOK VALUE: | |
| At 31st December 1998 | 67 |
| At 31st December 1997 | 90 |

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 1998 £ | 1997 £ |
|---------------|-----------|-----------|
| V.A.T. | 222 | 901 |
| Other debtors | 749 | 2,813 |
| | 971 | 3,714 |

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 1998 £ | 1997 £ |
|--------------------------------|-----------|-----------|
| Trade creditors | 1,041 | 1,041 |
| Other creditors | 656 | 656 |
| Amount owed to holding company | 5,311 | 8,422 |
| Social security & other taxes | 311 | 311 |
| Taxation | - | 895 |
| | 7,319 | 11,325 |

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SINGER DANTON & HAMILTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 1998

7. CALLED UP SHARE CAPITAL

Authorised:

| Number: | Class: | Nominal value: | 1998 £ | 1997 £ |
|---------|----------|-------------------|--------------|--------------|
| 1,000 | Ordinary | £1 | <u>1,000</u> | <u>1,000</u> |

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 1998 £ | 1997 £ |
|---------|----------|-------------------|-----------|-----------|
| 2 | Ordinary | £1 | <u>2</u> | <u>2</u> |

8. ULTIMATE PARENT COMPANY

The company's ultimate holding company is Singer Danton & Hamilton SA, a company incorporated in France, which confirms its intention to support the company for the foreseeable future.

9. RELATED PARTY DISCLOSURES

The amount due to the holding company at the year end was £5,310, as disclosed in note 7. (1997: Owed by holding company: £8,502)

The directors of the company, are also directors of the holding company.