

SPECIFIC SYSTEMS (1994) LIMITED

**DIRECTOR'S REPORT
AND FINANCIAL STATEMENTS**

YEAR ENDED 31 MAY 1996

Company No: 2934749 (England & Wales)



SPECIFIC SYSTEMS (1994) LIMITED

Company Information

Director	F.E.A. Hasbury
Secretary	J.A. Wood
Company Number	2934749 (England & Wales)
Registered Office	The Threshing House Bleathwood Manor Court Bleathwood Ludlow Shropshire SY8 4LT
Accountants	K.H. Baker & Co. 55 Mill Street Ludlow Shropshire SY8 1BB

SPECIFIC SYSTEMS (1994) LIMITED

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The following page does not form part of the statutory accounts:

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SPECIFIC SYSTEMS (1994) LIMITED

Director's Report for the Year ended 31 May 1996

The director presents her report and the financial statements for the year ended 31 May 1996.

Principle activities and review of business

The Company's principal activity continues to be that of supplying computer software and hardware systems.

The results for the year are set out on page 3.

During the year the Company developed a new software system which is starting to bear fruit in the current period.

Dividends

The director does not recommend the payment of a dividend.

Fixed Assets

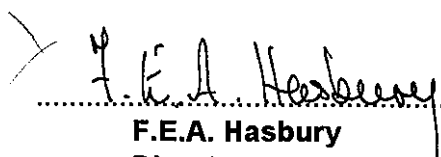
Details of movements in fixed assets are set out in note 7 to the financial statements.

Director

The Director who served during the year and her beneficial interests in the Company's issued ordinary share capital was:

	Number of shares 1996 & 1995
F.E.A. Hasbury	1

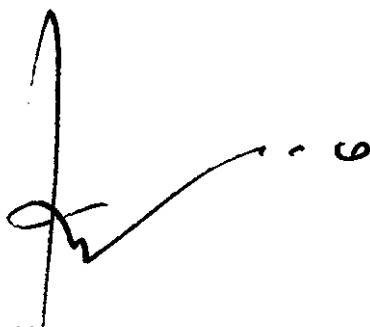
This report was approved by the board on 18 November 1996, and signed on its behalf.


.....
F.E.A. Hasbury
Director

SPECIFIC SYSTEMS (1994) LIMITED

**Accountants' Report to the Shareholders on the Unaudited Accounts of Specific
Systems (1994) Limited**

In accordance with instructions given to us, we have prepared without carrying out an audit, the accounts on pages 3 to 7 from the accounting records of Specific Systems (1994) Limited from information and explanations given to us.

A handwritten signature in black ink, consisting of a large, stylized 'K' followed by a horizontal line and a small flourish.

K.H. Baker & Co.,
Certified Accountants,
55 Mill Street,
Ludlow,
Shropshire
SY8 1BB

29 November 1996

SPECIFIC SYSTEMS (1994) LIMITED

**Profit and Loss Account
for the year ended 31 May 1996**

	Notes	1996 £	1995 £
Turnover	1,2	36,651	25,298
Administrative Expenses		(33,548)	(30,045)
Operating Profit/(Loss)	3	<u>3,103</u>	<u>(4,747)</u>
Bank Interest		<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities before taxation		3,103	(4,747)
Taxation on profit on ordinary activities	5	<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities after taxation		3,103	(4,747)
Dividends	6	<u>-</u>	<u>-</u>
Retained Profit/(Loss) for the year		3,103	(4,747)
Retained (Loss) brought forward		(4,747)	-
Retained (Loss) carried forward		<u><u>(1,644)</u></u>	<u><u>(4,747)</u></u>

There were no recognised gains and losses for 1996 other than those included in the profit and loss account.

The notes on pages 5 to 7 form part of these financial statements.

SPECIFIC SYSTEMS (1994) LIMITED

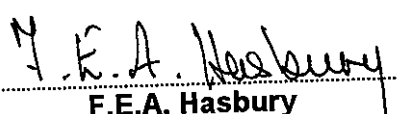
Balance sheet as at 31 May 1996

	Notes	1996 £	1995 £
Fixed assets			
Tangible assets	7	3,575	2,961
Current assets			
Stocks	8	774	750
Debtors	9	2,585	6,347
Cash at bank		<u>10,745</u>	<u>-</u>
		14,104	7,097
Creditors: amounts falling due within one year	10	<u>19,321</u>	<u>(14,803)</u>
Net current (liabilities)		(5,217)	(7,706)
Net (liabilities)		<u>(1,642)</u>	<u>(4,745)</u>
Capital and reserves	11		
Called up share capital		2	2
Profit and Loss account		(1,644)	(4,747)
Shareholders' funds	12	<u>(1,642)</u>	<u>(4,745)</u>

The director considers 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 nominal value of the Company's issued share capital have not issued a notice requiring an audit under Section 249B.

The director acknowledges her responsibility 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 31 May 1996 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the Company.

The financial statements were approved by the board on 18 November 1996 and signed on its behalf.


F.E.A. Hasbury
Director

The notes on pages 5 to 7 form part of these financial statements.

SPECIFIC SYSTEMS (1994) LIMITED

Notes to the financial statements for the Year ended 31 May 1996

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the Company's operations which are described in the Directors' Report and all of which are continuing.

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small Company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the Company.

1.3 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 Equipment	33 1/3% SL
Office Equipment	15% SL

1.4 Stock is valued at the lower of cost and net realisable value.

1.5 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2 Turnover

In the year to 31 May 1996, 33% of the Company's turnover was to markets outside the United Kingdom.

3 Operating Profit

The operating profit is stated after charging:

	1996	1995
	£	£
Depreciation of tangible fixed assets	<u>2210</u>	<u>1269</u>

SPECIFIC SYSTEMS (1994) LIMITED

Notes to the financial statements for the Year ended 31 May 1996

4 Staff costs

There was one employee other than the unpaid director and there were no benefits arising.

	1996	1995
	£	£
Salaries	12500	12500
Social Security Costs	<u>1275</u>	<u>1275</u>
	<u>13275</u>	<u>13275</u>

5 Taxation

There is no liability to UK Corporation Tax due to the losses brought forward.

6 Dividends

No dividend was paid or proposed in the year ended 31 May 1996.

7 Tangible fixed assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At 31.5.96	3463	767	4230
Additions	<u>2824</u>	<u>-</u>	<u>2824</u>
	<u>6287</u>	<u>767</u>	<u>7054</u>
Depreciation			
At 31.5.96	1154	115	1269
Charge for Year	<u>2095</u>	<u>115</u>	<u>2210</u>
	<u>3249</u>	<u>230</u>	<u>3479</u>
Net book value			
At 31.5.96	<u>3038</u>	<u>537</u>	<u>3575</u>
At 31.5.95	<u>2309</u>	<u>652</u>	<u>2961</u>

8 Stock & Work-in-Progress

	1996	1995
	£	£
Components Stock	274	-
Work-in-Progress	<u>500</u>	<u>750</u>
	<u>774</u>	<u>750</u>

9 Debtors

	1996	1995
	£	£
Due within one year		
Trade	2585	6132
Other debtors	<u>-</u>	<u>215</u>
	<u>2585</u>	<u>6347</u>

SPECIFIC SYSTEMS (1994) LIMITED

Notes to the financial statements for the Year ended 31 May 1996

10 Creditors: amounts falling due within one year

	1996	1995
	£	£
Trade creditors	1732	847
Bank overdraft	-	349
Other creditors	16511	12344
Other taxes	553	730
Accruals	<u>525</u>	<u>533</u>
	<u>19321</u>	<u>14803</u>

11 Called up share capital

	1996	1995
	£	£
Authorised		
Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
Issued & fully paid		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12 Movement on shareholders' funds

	1996	1995
	£	£
Share capital issued in year	-	2
Profit/(loss) for the year	3103	(4747)
Opening shareholders' funds	<u>(4745)</u>	<u>-</u>
Closing shareholders' funds	<u>(1642)</u>	<u>(4745)</u>

13 Contingent liabilities

The Company had no contingent liabilities at 31 May 1996.

14 Capital commitments

The Company had no capital commitments at 31 May 1996.