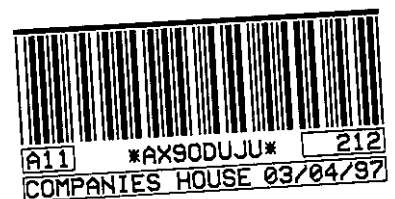


**Man Bytes Dog Ltd**

**Directors' Report and Accounts**

**for the year ended 30 June 1996**

Registration number 2935835



**Man Bytes Dog Ltd**  
**Directors and Officers**

**DIRECTOR**  
Johnny Morris

**SECRETARY**  
Josephine Morris

**REGISTERED OFFICE**  
52 Upper Brook Street  
Mayfair  
London W1Y 1PC

**ACCOUNTANTS**  
Sharman Associates  
14 Broadwick Street  
London W1V 1FH

**Man Bytes Dog Ltd**  
**Directors' Report**  
**for the year ended 30 June 1996**

The director presents his report and accounts for the year ended 30 June 1996.

**Directors' responsibilities**

Company law requires the director to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining 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 accounts 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.

**Principal activities**

The company's principal activity during the year continued to be the provisions of consultancy services, additionally the company traded in electronic equipment.

**Directors' interests**

The director at the balance sheet date and his interest in the share capital of the company were as follows:

	£1 Ordinary shares	
	1996	1995
Johnny Morris	1	1

**Accountants**

A resolution to reappoint Sharman Associates as auditors will be put to the members at the Annual General Meeting.

**Small company exemptions**

The director has taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

This report was approved by the board on 20th March 1997.



Josephine Morris  
Secretary

**Man Bytes Dog Ltd**  
**Profit and Loss Account**  
**for the year ended 30 June 1996**

	Notes	1996 £	1995 £
Turnover	2	51,166	60,985
Cost of sales		(32,363)	(21,359)
<b>Gross profit</b>		<b>18,803</b>	<b>39,626</b>
Administrative expenses		(30,585)	(25,916)
<b>Operating (loss)/profit</b>	3	<b>(11,782)</b>	<b>13,710</b>
Bank interest receivable		17	-
Interest payable		(614)	(337)
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(12,379)</b>	<b>13,373</b>
Taxation on ordinary activities		2,550	(4,339)
<b>(Loss)/profit on ordinary activities after taxation</b>		<b>(9,829)</b>	<b>9,034</b>
Dividends		-	(4,000)
<b>Retained (loss)/profit for the year</b>	9	<b>(9,829)</b>	<b>5,034</b>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years.

**Man Bytes Dog Ltd**  
**Balance Sheet**  
**as at 30 June 1996**

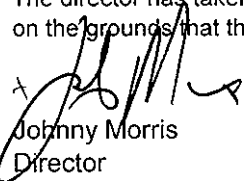
	Notes	1996 £	1995 £
<b>Fixed assets</b>			
Tangible assets	4	3,419	6,558
<b>Current assets</b>			
Debtors	5	1,997	-
Cash at bank and in hand		1,612	7,228
		<u>3,609</u>	<u>7,228</u>
<b>Creditors: amounts falling due within one year</b>	6	(11,710)	(7,305)
<b>Net current liabilities</b>		<u>(8,101)</u>	<u>(77)</u>
<b>Total assets less current liabilities</b>		(4,682)	6,481
<b>Creditors: amounts falling due after more than one year</b>			
Obligations under finance lease and hire purchase contracts	7	(111)	(1,445)
		<u>(111)</u>	<u>(1,445)</u>
		<u>(4,793)</u>	<u>5,036</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account	9	(4,795)	5,034
	10	<u>(4,793)</u>	<u>5,036</u>

The director is satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the company.

The director has taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985, on the grounds that the company is entitled to the benefit of those exemptions as a small company.

  
 Johnny Morris  
 Director

Approved by the board on 20th March 1997

**Man Bytes Dog Ltd**  
**Notes to the Accounts**  
**at 30 June 1996**

**1 Accounting policies**

**Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and as a going concern on the basis that the Director will ensure that sufficient finance is available to the company to enable them to meet its liabilities as they fall due.

**Depreciation**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Motor vehicles	25% per annum on written down value
Plant and machinery	25% per annum on written down value

**Deferred taxation**

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

No material differences exist at 30 June 1996.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Man Bytes Dog Ltd**  
**Notes to the Accounts**  
**at 30 June 1996**

**2 Turnover**

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

**3 Operating profit**

**1996**  
£

**1995**  
£

This is stated after charging/(crediting):

Depreciation of owned fixed assets  
 Directors' remuneration

1,139  
 10,221

2,185  
 4,580

**4 Tangible fixed assets**

	Plant and machinery £	Motor Vehicles £	Total £
<b>Cost</b>			
At 1 July 1995	4,743	4,000	8,743
Additions	1,000	-	1,000
Disposals	-	(4,000)	(4,000)
At 30 June 1996	5,743	-	5,743
<b>Depreciation</b>			
At 1 July 1995	1,185	1,000	2,185
Charge for the year	1,139	-	1,139
On disposals	-	(1,000)	(1,000)
At 30 June 1996	2,324	-	2,324
<b>Net book value</b>			
At 30 June 1996	3,419	-	3,419
At 30 June 1995	3,558	3,000	6,558

**5 Debtors**

**1996**  
£

**1995**  
£

Trade debtors  
 Other debtors

1,847  
 150  
 1,997

-  
 -  
 -

**6 Creditors: amounts falling due within one year**

**1996**  
£

**1995**  
£

Bank overdrafts  
 Obligations under finance lease and hire purchase contracts  
 Trade creditors  
 Other creditors

2,866  
 1,333  
 1,971  
 5,540  
 11,710

-  
 1,333  
 -  
 5,972  
 7,305

**Man Bytes Dog Ltd**  
**Detailed Profit and Loss Account**  
**for the year ended 30 June 1996**

	1996 £	1995 £
Turnover	51,166	60,985
Cost of sales	(32,363)	(21,359)
Gross profit	<u>18,803</u>	<u>39,626</u>
<b>Overheads</b>		
Wages and salaries	12,132	4,580
Travel and subsistence	4,029	9,427
Entertainment	2,176	3,871
Rent and rates	3,640	-
Telephone and fax	1,226	1,656
Printing postage and stationery	3,930	2,491
Depreciation	1,140	2,185
Advertising and public relations	328	-
Audit and accountancy	724	745
Insurance	160	181
Bank charges	494	65
Sundry	606	715
Total overheads	<u>30,585</u>	<u>25,916</u>
Operating (loss)/profit	<u>(11,782)</u>	<u>13,710</u>

This statement does not form part of the financial statements and is for the information of the directors only.