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**Devflame Limited**  
**Report of the Director and**  
**Financial Statements**  
**for the Year Ended 31 October 1997**



**Devflame Limited**

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for the Year Ended 31 October 1997**

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**Devflame Limited**

**Company Information  
for the Year Ended 31 October 1997**

**DIRECTOR:** M S Bennett

**SECRETARY:** R A Bennett

**REGISTERED OFFICE:** 50 Southchurch Road  
Southend  
SS1 2LZ

**REGISTERED NUMBER:** 2986353 (England and Wales)

**AUDITORS:** Bruce Allen Limited  
Chartered Certified Accounts  
Registered Auditors  
50 Southchurch Road  
Southend SS1 2LZ

**Devflame Limited**

**Report of the Director  
for the Year Ended 31 October 1997**

The director presents his report with the financial statements of the company for the year ended 31 October 1997.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of computer services.

**DIRECTOR**

M S Bennett was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	<b>31.10.97</b>	<b>1.11.96</b>
Ordinary £1 shares	10	10

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

Company law requires the director 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 director is required to

- select suitable accounting policies and then apply them consistently;
- make judgments 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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, Bruce Allen Limited, 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:**



M S Bennett - DIRECTOR

Dated: 20 March 1998

**Devflame Limited**

**Report of the Auditors to the Shareholders of  
Devflame Limited**

We have audited the financial statements on pages four to seven which have been prepared under the historical cost convention and the accounting policies set out on page six.

**Respective responsibilities of director and auditors**

As described on page two the company's director is 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.

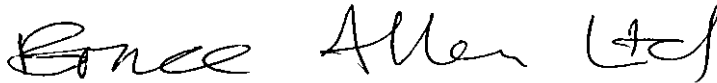
**Basis of opinion**

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 judgments made by the director 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 31 October 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bruce Allen Limited  
Chartered Certified Accounts  
Registered Auditors  
50 Southchurch Road  
Southend SS1 2LZ

Dated: 20 March 1998

**Devflame Limited**

**Profit and Loss Account  
for the Year Ended 31 October 1997**

		31.10.97	31.10.96
	Notes	£	£
<b>TURNOVER</b>	2	46,499	35,763
<b>GROSS PROFIT</b>		<u>46,499</u>	<u>35,763</u>
Administrative expenses		8,316	10,683
<b>OPERATING PROFIT</b>	3	<u>38,183</u>	<u>25,080</u>
Interest receivable and similar income	4	27	11
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>38,210</u>	<u>25,091</u>
Tax on profit on ordinary activities	5	8,498	6,126
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>29,712</u>	<u>18,965</u>
Dividends	6	29,710	18,966
		<u>2</u>	<u>(1)</u>
Retained profit brought forward		1	2
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u>£3</u>	<u>£1</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

**Devflame Limited**

**Balance Sheet  
31 October 1997**

		31.10.97	31.10.96
	Notes	£	£
<b>CURRENT ASSETS:</b>			
Debtors	7	4,110	2,446
Cash at bank		3,370	214
		<u>7,480</u>	<u>2,660</u>
<b>CREDITORS:</b> Amounts falling due within one year	8	7,467	2,649
		<u>13</u>	<u>11</u>
<b>NET CURRENT ASSETS:</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		<u>£13</u>	<u>£11</u>
<b>CAPITAL AND RESERVES:</b>			
Called up share capital	9	10	10
Profit and loss account		3	1
		<u>£13</u>	<u>£11</u>
Shareholders' funds	10		

These financial statements have 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:**



M S Bennett - DIRECTOR

Approved by the Board on 20 March 1998

# Devflame Limited

## Notes to the Financial Statements for the Year Ended 31 October 1997

### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

#### Turnover

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

### 2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

### 3. OPERATING PROFIT

The operating profit is stated after charging:

	31.10.97	31.10.96
	£	£
Auditors' remuneration	715	780
	<u>      </u>	<u>      </u>
Director's emoluments and other benefits etc	6,000	6,000
	<u>      </u>	<u>      </u>

### 4. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.10.97	31.10.96
	£	£
Bank interest received gross	27	11
	<u>      </u>	<u>      </u>

### 5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.10.97	31.10.96
	£	£
UK Corporation Tax	8,498	6,126
	<u>      </u>	<u>      </u>

UK Corporation Tax has been charged at 22.30% (1996 - 24.40%).

### 6. DIVIDENDS

	31.10.97	31.10.96
	£	£
Equity shares:		
Interim dividends	29,710	18,966
	<u>      </u>	<u>      </u>



**Devflame Limited**

**Notes to the Financial Statements  
for the Year Ended 31 October 1997**

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

	31.10.97 £	31.10.96 £
Trade debtors	3,962	1,563
Other debtors	-	290
Directors current account	-	593
ACT recoverable	148	-
	<u>4,110</u>	<u>2,446</u>

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

	31.10.97 £	31.10.96 £
Directors current accounts	2,261	-
Social security & other taxes	2,578	459
Corporation tax	2,613	2,190
Accrued expenses	15	-
	<u>7,467</u>	<u>2,649</u>

**9. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	31.10.97 £	31.10.96 £
100	Ordinary	£1	100	100
			<u>      </u>	<u>      </u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.10.97 £	31.10.96 £
10	Ordinary	£1	10	10
			<u>      </u>	<u>      </u>

**10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.10.97 £	31.10.96 £
Profit for the financial year	29,712	18,965
Dividends	(29,710)	(18,966)
	<u>2</u>	<u>(1)</u>
<b>NET ADDITION/(REDUCTION) TO SHAREHOLDERS' FUNDS</b>		
Opening shareholders' funds	11	12
	<u>13</u>	<u>11</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>		
	<u>13</u>	<u>11</u>
Equity interests	13	11
	<u>      </u>	<u>      </u>

Devflame Limited

Tax District: Southend 1  
Tax Reference: 665 97454 56110

CORPORATION TAX COMPUTATION  
For the corporation tax accounting period  
from 1 November 1996 to 31 October 1997

	£	£	£
<b>SCHEDULE D CASE I COMPUTATION</b>			
Profit per financial statements		38,210	
Less: Bank interest received gross		27	
		<hr/>	
Net trading profit			38,183
 <b>PROFITS AND GAINS FROM NON-TRADING LOAN RELATIONSHIPS</b>			
Bank interest received gross			27
			<hr/>
<b>PROFITS CHARGEABLE TO CORPORATION TAX</b>			<u>£38,210</u>

MEMO: No franked investment income

MEMO: There are no associated companies

**CORPORATION TAX CHARGEABLE**

Financial year	FY96	
Apportioned days	151/365	
15,807 @ 24%	3,793.68	3,793.68

Financial year	FY97	
Apportioned days	214/365	
22,403 @ 21%	4,704.63	4,704.63
		<hr/>
		8,498.31

Advance corporation tax utilized (7,427.50)

**CORPORATION TAX OUTSTANDING** £1,070.81

**MEMO: Summary of Advance Corporation Tax**

ACT on dividends paid in year	7,427.50
ACT utilized	7,427.50

Surplus ACT available £NIL

**DIRECTORS' REMUNERATION**

	Remuneration voted this year	<---- Remuneration not paid by statutory period ---->			
		B/fwd	Now paid	Unpaid this year	C/fwd
	£	£	£	£	£
Bennett M S	6,000	-	-	-	-