

REPORT OF THE AUDITORS TO THE MEMBERS OF
COMPUTER OFFICE SYSTEMS (COSY) LIMITED

We have audited the Financial Statements set out on pages 7 to 14 which have been prepared under the historical cost convention.

Respective Responsibilities of Directors and Auditors

As described on page 5, 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 that opinion to you.

Basis of Opinion

We conducted our audit in accordance with auditing standards which 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 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 we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatements 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 financial affairs at 31st December 1997 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

CHURCHILL HOUSE
142 -146 OLD STREET
LONDON EC1V 9BJ

DATE 20th May 1998

