

**QSOFT CONSULTING LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR**  
**31ST DECEMBER 2000**



**HORWATH**  
**CLARK WHITEHILL**

*Chartered Accountants*

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**QSOF CONSULTING LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2000**

<b>CONTENTS</b>	<b>PAGE</b>
The directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4
<b>The following pages do not form part of the financial statements</b>	
Accountants' report to the directors	8
Detailed profit and loss account	9
Notes to the detailed profit and loss account	10

**QSOFT CONSULTING LIMITED****THE DIRECTORS' REPORT****YEAR ENDED 31ST DECEMBER 2000**

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st December 2000.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the supply of computer software management services.

**THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2000	At 1 January 2000
G Frisch	2	2
H A J Badenhurst	-	-

**SMALL COMPANY PROVISIONS**

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

Registered office:  
7th Floor  
Queens House  
2 Holly Road  
Twickenham  
TW1 4EG

Signed on behalf of the directors

G FRISCH  
Director



Approved by the directors on 29th January 2002

**QSOFT CONSULTING LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST DECEMBER 2000**

	Note	2000 £	1999 £
<b>TURNOVER</b>		<b>305,790</b>	132,116
Cost of sales		<u>2,117</u>	-
<b>GROSS PROFIT</b>		<b>303,673</b>	132,116
Administrative expenses		<u>275,122</u>	<u>78,780</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>28,551</b>	53,336
Interest receivable and similar income		-	4,318
Interest payable		<u>(2,514)</u>	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>26,037</b>	57,654
Tax on profit on ordinary activities	<b>3</b>	<u>(2,500)</u>	<u>(11,673)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>23,537</b>	45,981
Equity dividends paid		-	<u>50,991</u>
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>23,537</b>	(5,010)
Balance brought forward		<u>10,556</u>	<u>15,566</u>
Balance carried forward		<u><b>34,093</b></u>	<u><b>10,556</b></u>

**QSOFT CONSULTING LIMITED****BALANCE SHEET****31ST DECEMBER 2000**

	Note	2000 £	1999 £
<b>FIXED ASSETS</b>			
Tangible assets	4	50,502	13,525
<b>CURRENT ASSETS</b>			
Stocks		2,714	590
Debtors	5	20,335	14,889
Cash at bank		40,250	2,146
		<u>63,299</u>	<u>17,625</u>
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>(79,706)</u>	<u>(20,592)</u>
<b>NET CURRENT LIABILITIES</b>		<b>(16,407)</b>	<b>(2,967)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>34,095</u></b>	<b><u>10,558</u></b>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	9	2	2
Profit and Loss Account		<u>34,093</u>	<u>10,556</u>
<b>SHAREHOLDERS' FUNDS</b>		<b><u>34,095</u></b>	<b><u>10,558</u></b>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 29th January 2002 and are signed on their behalf by:

G FRISCH  
Director



The notes on pages 4 to 6 form part of these financial statements.

**QSOFT CONSULTING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2000**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 20% straight line
Motor Vehicles	- 25% straight line
Office Equipment	- 33% straight line

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

**2. OPERATING PROFIT**

Operating profit is stated after charging:

	2000 £	1999 £
Directors' emoluments	55,951	-
Staff pension contributions	4,800	4,800
Depreciation	<u>23,080</u>	<u>-</u>

**3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2000 £	1999 £
Corporation Tax based on the results for the year at 16% (1999 - 20%)	<u>2,500</u>	<u>11,673</u>

**QSOFT CONSULTING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2000**

**4. TANGIBLE FIXED ASSETS**

	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
<b>COST</b>				
At 1st January 2000	-	7,978	5,547	13,525
Additions	1,464	24,287	34,306	60,057
<b>At 31st December 2000</b>	<u>1,464</u>	<u>32,265</u>	<u>39,853</u>	<u>73,582</u>
<b>DEPRECIATION</b>				
Charge for the year	191	14,116	8,773	23,080
<b>At 31st December 2000</b>	<u>191</u>	<u>14,116</u>	<u>8,773</u>	<u>23,080</u>
<b>NET BOOK VALUE</b>				
<b>At 31st December 2000</b>	<u>1,273</u>	<u>18,149</u>	<u>31,080</u>	<u>50,502</u>
At 31st December 1999	-	7,978	5,547	13,525

**Hire purchase agreements**

Included within the net book value of £50,502 is £18,149 (1999 - £Nil) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £14,116 (1999 - £Nil).

**5. DEBTORS**

	2000 £	1999 £
Trade debtors	13,500	14,889
Other debtors	5,763	-
Directors current accounts	217	-
Prepayments and accrued income	855	-
	<u>20,335</u>	<u>14,889</u>

**QSOF CONSULTING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2000**

**6. CREDITORS: Amounts falling due within one year**

	2000		1999	
	£	£	£	£
Bank loans and overdrafts		1,717		-
Trade creditors		31,446		6,086
Hire purchase agreements		7,313		-
Other creditors including taxation:				
Corporation Tax	2,500		11,673	
PAYE and social security	2,391		2,557	
VAT	8,899		276	
Other creditors	<u>19,940</u>		<u>-</u>	
		33,730		14,506
Accruals and deferred income		<u>5,500</u>		<u>-</u>
		<u>79,706</u>		<u>20,592</u>

The bank loan is secured by way of a fixed and floating charge over the assets of the company. G Frisch has given a personal guarantee of £10,000 to the bank as security for the loan.

**7. TRANSACTIONS WITH THE DIRECTORS**

The directors' current accounts represent amounts owing to G Frisch of £3,345 (1999 nil) and amounts owing from H Badenhorst of £3,128 (1999 nil) and bear no interest. The maximum owing from each director during the year was £nil and £3,128 respectively.

The company paid G Frisch £18,000 rent during the year.

**8. RELATED PARTY TRANSACTIONS**

The company was owned and controlled by Mr Frisch throughout the current and previous year.

**9. SHARE CAPITAL**

**Authorised share capital:**

	2000	1999
	£	£
2 Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>
<b>Allotted, called up and fully paid:</b>		
	2000	1999
	£	£
Ordinary share capital	<u>2</u>	<u>2</u>