



KNIGHTS LOWE

Chartered Accountants • Registered Auditors

REGISTERED NUMBER: 4321140

Unaudited Abbreviated Accounts
for the Year Ended 31 December 2005
for
The Software Practice Limited



The Software Practice Limited

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for the Year Ended 31 December 2005**

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The Software Practice Limited
Company Information
for the Year Ended 31 December 2005

DIRECTORS:

J S Brunt
L J Chapman
Ms F Brosan
T Forsey

SECRETARY:

J S Brunt

REGISTERED OFFICE:

Bulbeck Mill
Barrington
Cambridge
CB2 5QY

REGISTERED NUMBER:

4321140

ACCOUNTANTS:

Knights Lowe
Chartered Accountants
Eldo House, Kempson Way
Suffolk Business Park
Bury St Edmunds, Suffolk
IP32 7AR

The Software Practice Limited

Abbreviated Balance Sheet
31 December 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible assets	2	92,307	114,647
CURRENT ASSETS			
Debtors		106,221	295,600
Cash at bank and in hand		71,346	101,779
		<u>177,567</u>	<u>397,379</u>
CREDITORS			
Amounts falling due within one year	3	203,855	414,111
NET CURRENT LIABILITIES		<u>(26,288)</u>	<u>(16,732)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		66,019	97,915
CREDITORS			
Amounts falling due after more than one year	3	(18,997)	(40,890)
PROVISIONS FOR LIABILITIES		<u>(4,866)</u>	<u>(5,847)</u>
		<u>42,156</u>	<u>51,178</u>
CAPITAL AND RESERVES			
Called up share capital	4	200	200
Profit and loss account		41,956	50,978
SHAREHOLDERS' FUNDS		<u>42,156</u>	<u>51,178</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:


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

The Software Practice Limited

Abbreviated Balance Sheet - continued
31 December 2005

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

ON BEHALF OF THE BOARD:



J S Brunt - Director



L J Chapman - Director

Approved by the Board on 12 April 2006

The notes form part of these abbreviated accounts

The Software Practice Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 December 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 7 years straight line
Fixtures & fittings	- 15 years straight line
Motor vehicles	- 25% straight line
Computer equipment	- 25% reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Income recognition

Product sales (including installation) are recognised once a binding contract has been established. A provision is made for the costs of providing installation where the income has been recognised but installation has not been completed before the year end.

Support income is recognised over the period of the support contract.

Training sales are recognised at the date of providing the training services.

The Software Practice Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2005

2. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2005	106,029	20,363	61,652	188,044
Additions	-	-	5,744	5,744
Disposals	-	-	(50)	(50)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005	106,029	20,363	67,346	193,738
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2005	44,070	7,305	22,019	73,394
Charge for year	15,147	2,809	10,081	28,037
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005	59,217	10,114	32,100	101,431
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2005	46,812	10,249	35,246	92,307
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	61,959	13,058	39,633	114,650
	<hr/>	<hr/>	<hr/>	<hr/>

3. CREDITORS

The following secured debts are included within creditors:

	2005 £	2004 £
Bank loans	34,738	50,073
Hire purchase contracts	5,958	13,108
	<hr/>	<hr/>
	40,696	63,181
	<hr/>	<hr/>

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005 £	2004 £
900,000	Ordinary A	£1	900,000	900,000
100,000	Ordinary B	£1	100,000	100,000
			<hr/>	<hr/>
			1,000,000	1,000,000
			<hr/>	<hr/>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005 £	2004 £
100	Ordinary A	£1	100	100
100	Ordinary B	£1	100	100
			<hr/>	<hr/>
			200	200
			<hr/>	<hr/>

The Software Practice Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2005

5. TRANSACTIONS WITH DIRECTORS

During the year the company traded with T Forsey a director of the company. Purchases during the year amounted to £6,586 (2004 - £21,348). At the year end there was a balance outstanding of £786 (2004 - £2,652).

During the year the company traded with Barrington Systems, a partnership between J S Brunt and L J Chapman. Sales during the year amounted to £35,000 (2004 - £261,150). Licence fees purchased during the year amounted to £71,992 (2004 - £139,150). At the year end £nil (2004 - £160,000) and £nil (2004 - £28,050) were outstanding and included in trade debtors and trade creditors respectively.

Included in creditors are outstanding loans from J S Brunt and L J Chapman of £11,971 (2004 - £127,359) and £43,658 (2004 - £55,502) respectively. No interest has been charged.

J S Brunt has provided a personal guarantee to the company's bankers as security amounting to £75,000.

6. ULTIMATE CONTROLLING PARTY

J S Brunt is the ultimate controlling party.