



**KNIGHTS LOWE**

REGISTERED NUMBER: 4321140

Chartered Accountants • Registered Auditors

Abbreviated Accounts

for the Year Ended 31 December 2003

for

The Software Practice Limited



**The Software Practice Limited**

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**for the Year Ended 31 December 2003**

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**The Software Practice Limited**  
**Company Information**  
**for the Year Ended 31 December 2003**

**DIRECTORS:**

J S Brunt  
L J Chapman

**SECRETARY:**

Miss M Wrathall

**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 2003**

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	2		135,756		138,018
<b>CURRENT ASSETS</b>					
Stocks		81,995		67,805	
Debtors		293,921		92,616	
Cash at bank		86,390		33,180	
		<u>462,306</u>		<u>193,601</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	3	<u>427,254</u>		<u>303,078</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>35,052</u>		<u>(109,477)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>170,808</u>		<u>28,541</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	3		<u>(62,476)</u>		<u>(23,405)</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			<u>(5,714)</u>		<u>-</u>
			<u>102,618</u>		<u>5,136</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		200		200
Profit and loss account			<u>102,418</u>		<u>4,936</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>102,618</u>		<u>5,136</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) 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 226 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

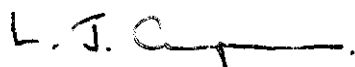
Abbreviated Balance Sheet - continued  
31 December 2003

These abbreviated accounts 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:**

A handwritten signature in black ink, appearing to be 'J S Brunt', enclosed within a large, hand-drawn oval.

J S Brunt - Director

A handwritten signature in black ink, appearing to be 'L J Chapman', written in a cursive style.

L J Chapman - Director

Approved by the Board on 9 March 2004

**The Software Practice Limited**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 31 December 2003**

**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 June 2002).

**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

**Stocks**

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

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**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**  
**for the Year Ended 31 December 2003**

**2. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST:</b>					
At 1 January 2003	96,432	14,612	34,196	23,057	168,297
Additions	9,597	1,877	-	26,584	38,058
Disposals	-	-	(17,216)	-	(17,216)
At 31 December 2003	106,029	16,489	16,980	49,641	189,139
<b>DEPRECIATION:</b>					
At 1 January 2003	13,776	2,195	8,550	5,758	30,279
Charge for year	15,147	2,347	4,245	5,669	27,408
Eliminated on disposal	-	-	(4,304)	-	(4,304)
At 31 December 2003	28,923	4,542	8,491	11,427	53,383
<b>NET BOOK VALUE:</b>					
At 31 December 2003	77,106	11,947	8,489	38,214	135,756
At 31 December 2002	82,656	12,417	25,646	17,299	138,018

**3. CREDITORS**

The following secured debts are included within creditors:

	2003 £	2002 £
Bank loans	64,509	28,664
Hire purchase contracts	20,800	12,895
	85,309	41,559

**4. CALLED UP SHARE CAPITAL**

Authorised: Number:	Class:	Nominal value:	2003 £	2002 £
900,000	Ordinary A shares	£1	900,000	900,000
100,000	Ordinary B shares	£1	100,000	100,000
			1,000,000	1,000,000

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2003 £	2002 £
100	Ordinary A shares	£1	100	100
100	Ordinary B shares	£1	100	100
			200	200

The Software Practice Limited

Notes to the Abbreviated Accounts  
for the Year Ended 31 December 2003

5. **ULTIMATE CONTROLLING PARTY**

J S Brunt is the ultimate controlling party.