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DAMBYTE LIMITED
FINANCIAL STATEMENTS

30 APRIL, 1998

Registered number: SC 143502

HOUSTON ROONEY LIMITED

Edinburgh

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DAMBYTE LIMITED
FINANCIAL STATEMENTS

30 April, 1998

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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COMPANY INFORMATION

30 April, 1998

COMPANY NUMBER	SC 143502
DATE OF INCORPORATION	26 March, 1993
DIRECTOR	Henry Wilson
SECRETARY	Suzanne Elsa Trew
REGISTERED OFFICE	55 Grange Road Edinburgh EH9 1TX
BANKERS	Bank of Scotland 5 Montagu Terrace Edinburgh EH3 5QX
ACCOUNTANTS	Houston Rooney Limited 6 Albany Street Edinburgh EH1 3QB

DIRECTOR'S REPORT

30 April, 1998

The director presents his report and the financial statements for the year ended 30 April, 1998.

Principal activity

The principal activity of the company was that of computer consultants.

Director

The director of the company during the year and his interest in the shares of the company were as follows

	30 April, 1998 Ordinary shares	1 May, 1997 Ordinary shares
Henry Wilson	100	100

Small company exemptions

In preparing this report the director has taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board

Suzanne Elsa Trew
Secretary

55 Grange Road
Edinburgh
EH9 1TX

Date ..26/2/99

DAMBYTE LIMITED

ACCOUNTANTS' REPORT

In accordance with instructions given to us we have prepared financial statements for the company for the year ended 30 April, 1998 according to the accounting provisions of the Companies Act 1985. The director of the company has confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result we have not carried out an audit. The financial statements on pages 4 to 8 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to us by the director.



Houston Rooney Limited
Edinburgh

Date17/2/99...

PROFIT AND LOSS ACCOUNT

for the year ended 30 April, 1998

	Note	1998 £	1997 £
Turnover	2	57,245	44,745
Cost of sales		(339)	-
Gross profit		56,906	44,745
Administrative expenses		(17,434)	(16,758)
Operating Profit	3	39,472	27,987
Investment income		31	-
Interest payable		(60)	(48)
Profit on ordinary activities before taxation		39,443	27,939
Taxation	5	(8,242)	(6,891)
Profit on ordinary activities after taxation		31,201	21,048
Dividends		(16,500)	(21,050)
Retained profit/(loss) for the year		14,701	(2)
Statement of retained earnings			
Retained profit/(loss) for the year		14,701	(2)
Reserves brought forward		21	23
Reserves carried forward		14,722	21

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1998 or 1997 other than the profit for the year.

BALANCE SHEET

at 30 April, 1998

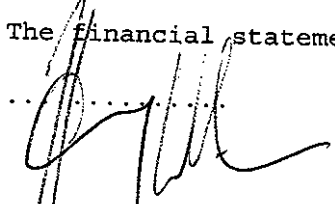
	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	6		2,773		1,287
Current assets					
Work in progress		5,240		-	
Debtors	7	414		3,693	
Cash at bank and in hand		13,895		5,844	
		19,549		9,537	
Creditors: amounts becoming due and payable within one year	8	(7,500)		(10,703)	
			12,049		(1,166)
			14,822		121
Capital and reserves					
Called up share capital	9		100		100
Reserves			14,722		21
Total shareholders' funds	10		14,822		121

The director considers that for the year ended 30 April, 1998 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The director acknowledges his 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 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.

The financial statements have been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 8 were approved by the director on

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 Henry Wilson
 Director

2/3/99

NOTES ON FINANCIAL STATEMENTS

30 April, 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Computer equipment	25% straight line
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Work in progress

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

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

3 Operating profit

	1998	1997
	£	£
Operating profit is stated after charging		
Depreciation of tangible fixed assets		
(note 6)		
owned assets	1,958	1,097
	<u> </u>	<u> </u>

NOTES ON FINANCIAL STATEMENTS

30 April, 1998

4 Directors

	1998 £	1997 £
Director's remuneration	12,604	12,130
Employer's national insurance	1,261	1,240
	<u>13,865</u>	<u>13,370</u>

5 Taxation

	1998 £	1997 £
Corporation tax on profit on ordinary activities at 21% (1997 24%/21%)	8,242	6,807
Under provision in earlier years	-	84
	<u>8,242</u>	<u>6,891</u>

6 Tangible fixed assets

Cost or valuation	Computer Equipment £
1 May, 1997	
Additions	4,388
	<u>3,444</u>
30 April, 1998	<u>7,832</u>
Depreciation	
1 May, 1997	
Charge for year	3,101
	<u>1,958</u>
30 April, 1998	<u>5,059</u>
Net book amount	
30 April, 1998	<u>2,773</u>
1 May, 1997	<u>1,287</u>

7 Debtors

	1998 £	1997 £
Amounts falling due within one year		
Trade debtors	<u>414</u>	<u>3,693</u>

NOTES ON FINANCIAL STATEMENTS

30 April, 1998

8 Creditors: amounts becoming due and payable within one year

	1998 £	1997 £
Sundry creditors and accruals	-	75
VAT	1,386	162
PAYE and national insurance	106	1,515
Net salary control account	1,672	-
Advance corporation tax	125	1,563
Corporation tax	4,117	1,544
Director's loan account	94	5,844
	<u>7,500</u>	<u>10,703</u>

9 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Profit for the financial year	31,201	21,048
Dividends	<u>(16,500)</u>	<u>(21,050)</u>
Net movement in shareholders' funds	14,701	(2)
Opening shareholders' funds	<u>121</u>	<u>123</u>
Closing shareholders' funds	<u>14,822</u>	<u>121</u>