

ROOT LIMITED
Registered Number SC161514

Director's Report and Financial Statements

For the period ended 31 December 1996



		
SCT	*S7KXH00X*	691
COMPANIES HOUSE		1/9/97
A03	*AZFDUYQJ*	467
COMPANIES HOUSE		01/09/97

ROOT LIMITED

Director's Report and Financial Statements

For the period ended 31 December 1996

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Director

I Gammie

Secretary

J Macleod

Accountants

Scott-Moncrieff Downie Wilson

Bankers

Bank of Scotland
50 St John Street
Perth
PH1 5SL

Registered office

The Gold Suite
Mellor House
Charles Street
Windsor
Berkshire
SL4 5DS

ROOT LIMITED

Director's Report

For the period ended 31 December 1996

The company was incorporated on 10 November 1995 and commenced trading immediately.

The director submits his report and financial statements for the period ended 31 December 1996.

Results and dividends

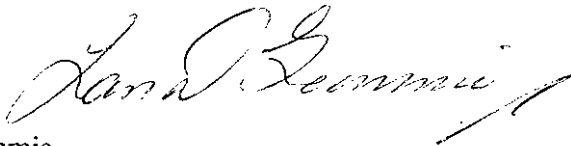
The loss for the period after taxation was £17,279. No dividends are proposed. The loss for the period of £17,279 will be debited to reserves.

Principal activities and review of the business

The company's principal activity is the provision of computer consultancy services. The director is pleased with the first period of trading and anticipates that the company will trade profitably in the future.

Director and his interests

The director who served during the period and his interest, including family interest, in the share capital of the company was as follows:-



I Gammie

Ordinary shares of £1 each
31 December 1996

100

By order of the board

Windsor 22 August 1997

Secretary
J Macleod

ROOT LIMITED

Accountants' Report to the Shareholder on the Unaudited Financial Statements

For the period ended 31 December 1996

We report on the financial statements for the period ended 31 December 1996 set out on pages 3 to 6.

Respective responsibilities of director and reporting accountants

As described on page 4 the company's director is responsible for the preparation of the financial statements, and he considers that the company is exempt from an audit. In accordance with his instructions and in order to assist him to fulfil his responsibilities, we have prepared the financial statements on pages 3 to 6 from the accounting records and from information and explanations supplied to us.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



SCOTT-MONCRIEFF DOWNIE WILSON
Chartered Accountants
17 Melville Street
Edinburgh
EH3 7PH

22 August
1997

ROOT LIMITED

Profit and Loss Account

For the period ended 31 December 1996

	Notes	1996 £
Turnover - continuing operations	2	115,615
Cost of sales		(104,033)
Gross profit		11,582
Administration expenses		(29,136)
Operating loss - continuing operations	3	(17,554)
Interest receivable		292
Interest payable		(17)
Loss on ordinary activities before taxation		(17,279)
Tax on loss on ordinary activities		-
Loss on ordinary activities after taxation	7	(17,279)

There are no recognised gains and losses other than those included in the profit and loss account.

There is no difference between the profit on ordinary activities for the period stated above, and its historical cost equivalent.

The notes on pages 5 to 6 form part of these financial statements

ROOT LIMITED

Balance Sheet

As at 31 December 1996

		1996	
		£	£
Current assets			
Debtors	5	952	
Creditors : Amounts falling due within one year	6	18,131	
Net current liabilities			(17,179)
Total assets less current liabilities			(17,179)
Capital and reserves	7		
Called up equity share capital			100
Profit and loss account			(17,279)
Equity shareholder's funds			(17,179)

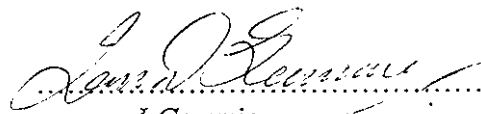
Director's Statement

The director:

1. confirms that for the period ended 31 December 1996 the company was entitled to the exemption under subsection (2) of section 249A;
2. confirms that no notice requiring an audit had been deposited under subsection (2) of section 249B in relation to the accounts for the period ended 31 December 1996; and
3. acknowledges his responsibility for:
 - a) ensuring that the company keeps accounting records which comply with section 221; and
 - b) preparing accounts 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 Companies Act 1985 relating to accounts, so far as applicable to the company.

The financial statements were approved by

the director on 22 August 1997

 Director
I Gammie

The notes on pages 5 to 6 form part of these financial statements

ROOT LIMITED

Notes to the Financial Statements

For the period ended 31 December 1996

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Cash Flow statement

The company is exempt from preparing a cash flow statement in compliance with the Financial Reporting Standard No1.

2. Turnover

Turnover is stated net of VAT and is entirely attributable to the company's principal activity of acting as computer consultants.

Turnover related to continuing operations in different geographical locations as disclosed below:

	1996 £
United Kingdom	60,779
Rest of Europe	54,836
	<hr/>
	115,615
	<hr/>

3. Operating loss

1996
£

Operating loss is stated after charging:

Director's remuneration	80,000
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4. Taxation

No corporation tax is payable due to losses incurred.

5. Debtors

1996
£

Other debtors	952
	<hr/>

ROOT LIMITED

Notes to the Financial Statements - continued

For the period ended 31 December 1996

6. Creditors : Amounts falling due within one year	1996
	£
Accruals	18,131

7. Capital and reserves	1996
	£
<i>Equity share capital</i>	
Authorised	
Ordinary £1 shares	100
Issued and fully paid	
Ordinary £1 shares	100

Reconciliation of movements in shareholder's funds

	Issued share capital £	Profit & Loss Account £	Total 1996 £
Loss for the period	-	(17,279)	(17,279)
Issued during the period	100	-	100
Balance as at 31 December	100	(17,279)	(17,279)