

REVISECATCH LIMITED

FINANCIAL STATEMENTS

for the year ended

30 JUNE 2003



REVISECATCH LIMITED

COMPANY INFORMATION

Directors	I. W. Oliver C. Truscott
Secretary	B. Oliver
Company number	2584802
Registered office	198 Brooklands Road Weybridge Surrey KT13 0RJ
Auditors	Fisher Phillips Summit House 170 Finchley Road London NW3 6BP
Business address	324 Kensal Road London W10 5BZ
Bankers	Lloyds Bank plc 50 Notting Hill Gate London W11 3JD

REVISECATCH LIMITED

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REVISECATCH LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2003

The directors present their report and financial statements for the year ended 30 June 2003.

Principal activities and review of the business

The principal activity of the company is that of messenger services.

The results for the year were considered satisfactory and continued growth is anticipated for the future.

Results and dividends

The results for the year are set out on page 3.

The directors do not recommend payment of a dividend.

Directors

The following directors have held office since 1 July 2002:

I. W. Oliver
C. Truscott

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of 1p each	
	30 June 2003	1 July 2002
I. W. Oliver	106	106
C. Truscott	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Fisher Phillips be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board


B. Oliver
Secretary

20 April 2004

REVISECATCH LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF REVISECATCH LIMITED

We have audited the financial statements of Revisecatch Limited on pages 3 to 13 for the year ended 30 June 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's reports and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

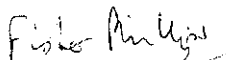
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Fisher Phillips

Chartered Accountants
Registered Auditor

20 April 2004

Summit House
170 Finchley Road
London NW3 6BP

REVISECATCH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2003

	Notes	2003 £	2002 £
Turnover	2	7,067,030	7,360,479
Cost of sales		(3,976,334)	(3,923,472)
Gross profit		<u>3,090,696</u>	<u>3,437,007</u>
Administrative expenses		(2,526,079)	(2,711,018)
Operating profit	3	<u>564,617</u>	<u>725,989</u>
Other interest receivable and similar income		9,893	2,584
Interest payable and similar charges	4	(20,981)	(22,593)
Profit on ordinary activities before taxation		<u>553,529</u>	<u>705,980</u>
Tax on profit on ordinary activities	5	(164,651)	(216,359)
Profit on ordinary activities after taxation	12	<u><u>388,878</u></u>	<u><u>489,621</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

REVISECATCH LIMITED

BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003		2002	
		£	£	£	£
Fixed assets					
Intangible assets	6		116,250		-
Tangible assets	7		102,429		152,446
Investments	8		175,000		175,450
			<u>393,679</u>		<u>327,896</u>
Current assets					
Debtors	9	1,503,725		2,126,705	
Cash at bank and in hand		429,421		126,665	
		<u>1,933,146</u>		<u>2,253,370</u>	
Creditors: amounts falling due within one year	10	(857,254)		(1,500,573)	
Net current assets			<u>1,075,892</u>		<u>752,797</u>
Total assets less current liabilities			<u>1,469,571</u>		<u>1,080,693</u>
Capital and reserves					
Called up share capital	11		2		2
Other reserves	12		1		1
Profit and loss account	12		1,469,568		1,080,690
Shareholders' funds - equity interests	13		<u>1,469,571</u>		<u>1,080,693</u>

The financial statements were approved by the Board on 20 April 2004

I. W. Oliver
Director

C. Truscott
Director

REVISECATCH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2003

	2003		2002	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		694,978		(201,481)
Returns on investments and servicing of finance				
Interest received	9,893		2,584	
Interest paid	(20,981)		(21,769)	
Net cash outflow for returns on investments and servicing of finance		(11,088)		(19,185)
Taxation		(216,358)		(179,610)
Capital expenditure				
Payments to acquire intangible assets	(120,000)		-	
Payments to acquire tangible assets	(31,240)		(93,075)	
Payments to acquire investments	450		(450)	
Receipts from sales of tangible assets	12,000		37,150	
Net cash outflow for capital expenditure		(138,790)		(56,375)
Net cash inflow/(outflow) before management of liquid resources and financing		328,742		(456,651)
Increase/(decrease) in cash in the year		328,742		(456,651)

REVISECATCH LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2003

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities			2003	2002
				£	£
	Operating profit			564,617	725,989
	Depreciation of tangible assets			67,133	77,089
	Loss on disposal of tangible assets			5,874	9,752
	Decrease/(increase) in debtors			622,980	(690,075)
	Decrease in creditors within one year			(565,626)	(324,236)
	Net cash inflow/(outflow) from operating activities			694,978	(201,481)
2	Analysis of net funds	1 July 2002	Cash flow	Other non-cash changes	30 June 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	126,665	302,756	-	429,421
	Bank overdrafts	(66,505)	25,986	-	(40,519)
		60,160	328,742	-	388,902
	Net funds	60,160	328,742	-	388,902
3	Reconciliation of net cash flow to movement in net funds			2003	2002
				£	£
	Increase/(decrease) in cash in the year			328,742	(456,651)
	Movement in net funds in the year			328,742	(456,651)
	Opening net funds			60,160	516,811
	Closing net funds			388,902	60,160

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is being amortised over a period of four years.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33 1/3% Straight line
Fixtures, fittings & equipment	25% Reducing balance
Motor vehicles	25% Straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation	67,133	77,089
Operating lease rentals	24,975	24,975
Auditors' remuneration	15,000	11,500

4 Interest payable

	2003 £	2002 £
On bank loans and overdrafts	981	1,769
On overdue tax	-	824
Other interest	20,000	20,000
	20,981	22,593

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

5	Taxation	2003	2002
		£	£
	Domestic current year tax		
	U.K. corporation tax	164,651	216,359
	Current tax charge	<u>164,651</u>	<u>216,359</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>553,529</u>	<u>705,980</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00 % (2002 : 30.00 %)	<u>166,059</u>	<u>211,794</u>
	Effects of:		
	Non deductible expenses	1,366	2,641
	Depreciation add back	20,777	26,052
	Capital allowances	(18,484)	(23,448)
	Other tax adjustments	(5,067)	(680)
		<u>(1,408)</u>	<u>4,565</u>
	Current tax charge	<u>164,651</u>	<u>216,359</u>
6	Intangible fixed assets		Goodwill
			£
	Cost		
	At 1 July 2002		-
	Additions		120,000
	At 30 June 2003		<u>120,000</u>
	Amortisation		
	At 1 July 2002		-
	Charge for the year		3,750
	At 30 June 2003		<u>3,750</u>
	Net book value		
	At 30 June 2003		<u>116,250</u>
	At 30 June 2002		<u>-</u>

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2002	178,188	177,336	89,125	444,649
Additions	20,360	10,880	-	31,240
Disposals	-	-	(35,750)	(35,750)
At 30 June 2003	198,548	188,216	53,375	440,139
Depreciation				
At 1 July 2002	149,248	122,869	20,086	292,203
On disposals	-	-	(17,876)	(17,876)
Charge for the year	24,759	16,342	22,282	63,383
At 30 June 2003	174,007	139,211	24,492	337,710
Net book value				
At 30 June 2003	24,541	49,005	28,883	102,429
At 30 June 2002	28,940	54,467	69,039	152,446

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

8 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 July 2002	175,450
Disposals	(450)
	<hr/>
At 30 June 2003	175,000
	<hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Participating interests			
D A Systems Limited	England	Preference	64

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
	£	£
D A Systems Limited	53,042	(85,718)
	<hr/>	<hr/>

9 Debtors

	2003 £	2002 £
Trade debtors	1,393,651	2,090,775
Other debtors	25,882	21,050
Prepayments and accrued income	84,192	14,880
	<hr/>	<hr/>
	1,503,725	2,126,705
	<hr/>	<hr/>

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

10 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	40,519	66,505
Trade creditors	110,758	75,176
Amounts owed to participating interests	10,450	35,450
Corporation tax	164,651	216,358
Other taxes and social security costs	218,770	318,022
Directors' current accounts	52,508	141,780
Other creditors	237,098	496,696
Accruals and deferred income	22,500	150,586
	<u>857,254</u>	<u>1,500,573</u>

The bank overdraft is secured by a mortgage debenture over all the assets of the company.

11 Share capital	2003 £	2002 £
Authorised		
100,000 Ordinary shares of 1p each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
206 Ordinary shares of 1p each	<u>2</u>	<u>2</u>

12 Statement of movements on reserves	Other reserves (see below) £	Profit and loss account £
Balance at 1 July 2002	1	1,080,690
Retained profit for the year	-	388,878
Balance at 30 June 2003	<u>1</u>	<u>1,469,568</u>

Other reserves

Capital redemption reserve

Balance at 1 July 2002 & at 30 June 2003

1

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

13 Reconciliation of movements in shareholders' funds	2003 £	2002 £
Profit for the financial year	388,878	489,621
Opening shareholders' funds	1,080,693	591,072
Closing shareholders' funds	1,469,571	1,080,693

14 Financial commitments

At 30 June 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2003 £	2002 £
Expiry date: Between two and five years	24,975	24,975

15 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	191,150	322,038

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Administration	56	54

Employment costs

	£	£
Wages and salaries	1,378,985	1,443,393
Social security costs	138,391	155,337
	1,517,376	1,598,730

17 Control

The company is controlled by I. W. Oliver who has a beneficial interest in 106 ordinary shares.

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

18 Related party transactions

I. W. Oliver controls Milematic Limited. During the year the company paid Milematic Limited £120,000 (2002 - £131,000) for rent of bikes and vans, £423,623 (2002 - £548,834) for advertising and £20,000 (2002 - £20,000) in loan interest. At the year end the company owed Milematic Limited £118,907 (2002 : £365,764).

PRB Public Relations is a business run by I. W. Oliver's wife, B. Oliver. During the year PRB Public Relations provided the company with storage, advertising and promotional services totalling £71,065 (2002 - £57,490). At the year end the company owed PRB Public Relations £51,417 (2002 : £80,646).

During the year the company paid rent for its business premises to the Milematic Limited Pension Scheme, set up for the benefit of I. W. and B. Oliver, of £30,000 (2002 - £30,000).