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REVISECATCH LIMITED

FINANCIAL STATEMENTS

for the year ended

30 JUNE 2001



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 2001

The directors present their report and financial statements for the year ended 30 June 2001.

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.

Directors

The following directors have held office since 1 July 2000:

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 2001	1 July 2000
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

26 October 2001

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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 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

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.

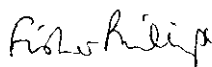
Basis of audit opinion

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 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Fisher Phillips

26 October 2001

Chartered Accountants

Registered Auditor

Summit House
170 Finchley Road
London NW3 6BP

REVISECATCH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Turnover	2	6,611,278	6,539,726
Cost of sales		(3,579,521)	(3,610,911)
Gross profit		3,031,757	2,928,815
Administrative expenses		(2,480,352)	(2,538,448)
Operating profit	3	551,405	390,367
Goodwill written off	3	(469,135)	-
Profit on ordinary activities before interest		82,270	390,367
Other interest receivable and similar income		-	162
Interest payable and similar charges	4	(30,438)	(8,495)
Profit on ordinary activities before taxation		51,832	382,034
Tax on profit on ordinary activities	5	(179,609)	(154,779)
(Loss)/profit on ordinary activities after taxation	12	(127,777)	227,255

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 2001

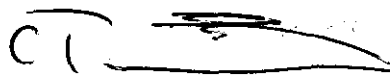
	Notes	2001 £	£	2000 £	£
Fixed assets					
Intangible assets	6		-		544,135
Tangible assets	7		183,362		192,514
Investments	8		175,000		175,000
			<u>358,362</u>		<u>911,649</u>
Current assets					
Debtors	9	1,436,630		1,322,919	
Cash at bank and in hand		516,811		24,106	
		<u>1,953,441</u>		<u>1,347,025</u>	
Creditors: amounts falling due within one year	10	<u>(1,720,731)</u>		<u>(1,539,825)</u>	
Net current assets/(liabilities)			<u>232,710</u>		<u>(192,800)</u>
Total assets less current liabilities			<u>591,072</u>		<u>718,849</u>
Capital and reserves					
Called up share capital	11		2		2
Other reserves	12		1		1
Profit and loss account	12		591,069		718,846
Shareholders' funds - equity interests	13		<u>591,072</u>		<u>718,849</u>

The financial statements were approved by the Board on 26 October 2001

I. W. Oliver
Director



C. Truscott
Director



REVISECATCH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

	2001 £	2000 £
Net cash inflow from operating activities	745,758	600,482
Returns on investments and servicing of finance		
Interest received	-	162
Interest paid	(30,413)	(7,836)
Interest element of finance lease rentals	(25)	(659)
Net cash outflow for returns on investments and servicing of finance	(30,438)	(8,333)
Taxation	(139,595)	(102,800)
Capital expenditure and financial investment		
Payments to acquire tangible assets	(103,434)	(41,161)
Payments to acquire investments	-	(175,000)
Receipts from sales of tangible assets	22,500	-
Net cash outflow for capital expenditure	(80,934)	(216,161)
Net cash inflow before management of liquid resources and financing	494,791	273,188
Financing		
Capital element of finance lease contracts	(2,086)	(10,810)
Net cash outflow from financing	(2,086)	(10,810)
Increase in cash in the year	492,705	262,378

Warnin - There are exceptional items in the profit and loss account. As the system cannot interpret whether these affect cashflow, and if so which section of the cashflow they affect, you will need to make a local page and adjust the format accordingly

REVISECATCH LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001	2000
		£	£
	Operating profit	551,405	390,367
	Depreciation of tangible assets	160,305	148,137
	Loss on disposal of tangible assets	4,781	-
	(Increase)/decrease in debtors	(113,711)	104,849
	Increase/(decrease) in creditors within one year	142,978	(42,871)
	Net cash inflow from operating activities	745,758	600,482
2	Analysis of net funds	1 July 2000	Cash flow Other non-cash changes 30 June 2001
		£	£ £ £
	Net cash:		
	Cash at bank and in hand	24,106	492,705 - 516,811
	Debt:		
	Finance leases	(4,172)	4,172 - -
	Debts falling due after one year	2,086	(2,086) - -
	Net funds	22,020	494,791 - 516,811
3	Reconciliation of net cash flow to movement in net funds	2001	2000
		£	£
	Increase in cash in the year	492,705	262,378
	Cash outflow from decrease in debt and lease financing	2,086	10,810
	Movement in net funds in the year	494,791	273,188
	Opening net funds/(debt)	22,020	(251,168)
	Closing net funds	516,811	22,020

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

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 has been written off in its entirety as the amounts paid originally are no longer considered to be generating significant profits for the company.

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	15% Reducing balance
Motor vehicles	25% Straight line

1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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 taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

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

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

3	Operating profit	2001 £	2000 £
	Operating profit is stated after charging:		
	Depreciation	160,305	148,137
	Operating lease rentals	24,975	24,975
	Auditors' remuneration	10,000	10,000

The exceptional item of £469,135, shown on the face of the profit and loss account, writes off the remaining balance of goodwill, as the amounts paid originally are no longer considered to be generating significant profits for the company.

4	Interest payable	2001 £	2000 £
	On bank loans and overdrafts	413	5,259
	Lease finance charges	25	659
	On overdue tax	-	2,199
	Other interest	30,000	378
		30,438	8,495

5	Taxation	2001 £	2000 £
	Domestic current year taxation		
	U.K. corporation tax	179,609	139,595
	Adjustment for prior years	-	15,184
		179,609	154,779

6	Intangible fixed assets	Goodwill £
	Cost	
	At 1 July 2000 & at 30 June 2001	751,595
	Amortisation	
	At 1 July 2000	207,460
	Charge for year	544,135
	At 30 June 2001	751,595
	Net book value	
	At 30 June 2001	-
	At 30 June 2000	544,135

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2000	132,323	163,662	98,696	394,681
Additions	24,415	13,674	65,345	103,434
Disposals	-	-	(48,500)	(48,500)
At 30 June 2001	156,738	177,336	115,541	449,615
Depreciation				
At 1 July 2000	87,338	66,981	47,848	202,167
On disposals	-	-	(21,219)	(21,219)
Charge for the year	39,692	16,853	28,760	85,305
At 30 June 2001	127,030	83,834	55,389	266,253
Net book value				
At 30 June 2001	29,708	93,502	60,152	183,362
At 30 June 2000	44,985	96,681	50,848	192,514

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 June 2001	-
At 30 June 2000	14,005
Depreciation charge for the year	
30 June 2001	-
30 June 2000	4,668

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

8 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 July 2000 & at 30 June 2001	175,000

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	Ordinary	45

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	184,464	(91,536)

9 Debtors

	2001 £	2000 £
Trade debtors	1,292,634	1,106,887
Other debtors	111,999	178,722
Prepayments and accrued income	31,997	37,310
	<u>1,436,630</u>	<u>1,322,919</u>

Included in other debtors is an amount due from factors of £Nil (2000 : £178,722). The factors held a floating charge over the proceeds from all company debtors. They also had a fixed charge over all debtors not assigned to them. The agreement with the factors was cancelled in the current year.

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

10 Creditors: amounts falling due within one year	2001 £	2000 £
Net obligations under finance leases	-	2,086
Trade creditors	94,130	132,263
Amounts owed to participating interests	75,000	100,000
Corporation tax	179,609	139,595
Other taxes and social security costs	294,423	371,304
Directors' current accounts	50,903	196
Other creditors	875,773	696,838
Accruals and deferred income	150,893	97,543
	<u>1,720,731</u>	<u>1,539,825</u>

11 Share capital	2001 £	2000 £
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 £	Profit and loss account £
Balance at 1 July 2000	1	718,846
Retained loss for the year	-	(127,777)
Balance at 30 June 2001	<u>1</u>	<u>591,069</u>

13 Reconciliation of movements in shareholders' funds	2001 £	2000 £
(Loss)/Profit for the financial year	(127,777)	227,255
Opening shareholders' funds	<u>718,849</u>	<u>491,594</u>
Closing shareholders' funds	<u>591,072</u>	<u>718,849</u>

14 Contingent liabilities

The company has guaranteed the bank overdraft of Milematic Limited, a related party, to a maximum of £180,000. At 30 June 2001 the overdraft stood at £30,901 (2000 : £34,252).

REVISECATCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

15 Financial commitments

At 30 June 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2001	2000
	£	£
Expiry date:		
Between two and five years	24,975	24,975

16 Directors' emoluments

	2001	2000
	£	£
Emoluments for qualifying services	282,999	369,747

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	194,999	267,007
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17 Employees

Number of employees

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

	2001	2000
	Number	Number
Administration	52	49

Employment costs

	£	£
Wages and salaries	1,271,027	1,211,189
Social security costs	133,686	122,876
	1,404,713	1,334,065

18 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 2001

19 Related party transactions

I. W. Oliver controls Milematic Limited. During the year the company paid Milematic Limited £101,000 (2000: £57,000) for rent of bikes and vans, £477,500 (2000: £497,900) for advertising and £30,000 (2000: £Nil) in loan interest. At the year end the company owed Milematic Limited £634,952 (2000 : £447,927).

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 advertising and promotional services totalling £46,233 (2000: £60,391). At the year end the company owed PRB Public Relations £25,115 (2000 : £40,115).

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 £44,627 (2000: £26,400).

I. W. Oliver has personally guaranteed any company overdraft up to £200,000 with a mortgage over a property held personally.