

3153641

OMNICOM ENGINEERING LIMITED
YEAR ENDED 31 AUGUST 1997
DIRECTORS REPORT AND FINANCIAL STATEMENTS

<u>CONTENTS</u>	<u>PAGE</u>
Company Information	
Report of the Directors	1
Report of the Auditor	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5



ONMINCOM ENGINEERING LIMITED

COMPANY INFORMATION

Directors

P.I. HARKNESS
S.A. KIMKERAN

Secretary

P.I. HARKNESS

Registered Office

6 WOBURN COURT,
STILTON,
PETERBOUROUGH,
CAMBRIDGESHIRE, PE7 3FB

Auditor

J.W. CROUCHER F.C.A.,
74 FEATHERBY ROAD,
GILLINGHAM,
KENT.

Bankers

BARCLAYS BANK

Company Number

3153641

OMNICOM ENGINEERING LIMITED

REPORT OF THE DIRECTORS

Accounts

The directors present their report and financial statements for the year ended 31 August 1997.

Activities

The principal activity of the company is Development, Installation and Maintenance of Software and Computer Equipment.

Review of Business and Future Developments

In this year of trading, profits increase considerably because Turnover was greatly improved. Expenses also increased but there was still a satisfactory profit. It is hoped that this trend be maintained.

Dividends

The directors do not recommend payment of a dividend for the year ended 31 August 1997.

If this recommendation is approved, retained profits of £ 170560 will be added to reserves.

Directors

The members of the board during the year and the interests in the shares of the company were:-

	<u>Ordinary Shares of £ 1 each</u>	
	<u>31 August 1997</u>	<u>31 August 1996</u>

S.A. KIMKERAN	1	1
P.I. HARKNESS	1	1

P.I. HARKNESS retires by rotation at the Annual General Meeting and being eligible offers himself for re-election.

Auditor

J.W. CROUCHER F.C.A. has expressed willingness to continue in office as Auditor and a resolution for re-appointment will be proposed at the forthcoming Annual General Meeting.

By order of the board


.....
Secretary

14.9.98
.....199.....

REPORT OF THE AUDITOR
TO THE MEMBERS OF
OMNICOM ENGINEERING LIMITED

I have audited the financial statements on page 1 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of the directors and auditors

The company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of opinion

I conducted my audit in accordance with 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.

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

Opinion

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st August 1997 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



J.W. CROUCHER F.C.A.
Registered Auditor

Dated: 14/9/98

74 Featherby Road,
Gillingham,
Kent.

OMINCOM ENGINEERING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1997

	<u>NOTES</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
TURNOVER	1c	575821	120804
Cost of Sales		<u>336673</u> 239148	<u>105277</u> 15527
Administrative Costs		<u>(35986)</u>	<u>(5193)</u>
OPERATING PROFIT		203162	10334
Other interest receivable and similar income	2	848	
Other operating income			
Interest payable and similar charges		<u>(121)</u>	<u>(97)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	203889	10237
Formation Expenses			(129)
Tax on profit on ordinary activities	3	<u>(61680)</u>	<u>(1936)</u>
RETAINED PROFIT FOR THE YEAR	6	<u>142209</u>	<u>8122</u>

The company has no recognised gains or losses other than the profits (losses) for the two years ended 31 August 1997.

The notes on page 5 form part of these financial statements.

OMNICOM ENGINEERING LIMITED

BALANCE SHEET AS AT 31 AUGUST 1997

		<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	<u>NOTES</u>		
<u>FIXED ASSETS</u>			
Tangible Assets	9	31725	
Investment	10	<u>50745</u>	
		82470	
<u>CURRENT ASSETS</u>			
Debtors		156211	
Cash at Bank		<u>227285</u>	<u>38144</u>
		<u>383496</u>	<u>38144</u>
CREDITORS: AMOUNT DUE WITHIN ONE YEAR	4	<u>315633</u>	<u>30020</u>
<u>NET CURRENT ASSETS (LIABILITIES)</u>		<u>67863</u>	<u>8124</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		150333	8124
CREDITOR: AMOUNT DUE AFTER ONE YEAR			
<u>PROVISION FOR LIABILITIES AND CHARGES</u>		<u>150333</u>	<u>8124</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	5	2	2
Profit and Loss Account	6	<u>150331</u>	<u>8122</u>
Shareholders Funds	7	<u>150333</u>	<u>8124</u>
Signed on behalf of the board			
Directors			
Date approved by the Board:			

The notes on page 5 form part of these financial statements.

OMNICOM ENGINEERING LIMITED
NOTES TO THE FINANCIAL STATEMENTS YEAR 1997

1. **Accounting Policies**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's accounts for the year ended 31 August 1997.

a) **Accounting Convention**

These accounts have been prepared under the historical cost convention.

b) **Deferred Tax**

No provision has been made in respect of timing differences arising from accelerated Capital Allowances and other timing differences to the extent that such liabilities are not expected to become payable for a considerable period.

c) **Tangible fixed assets and depreciation**

Tangible fixed assets are depreciated at rates estimated to write off the cost of each asset over its expected useful life:

Depreciation has been changed at the following rates:

Office Equipment	-	25% on WDV
Computer Equipment	-	33% on WDV

d) **Turnover**

Turnover represents sales of services, excluding Value Added Tax, where applicable.

2. <u>Profit on Ordinary Activities before Taxation</u>	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
After charging:		
Auditor's remuneration	575	500
	<u> </u>	<u> </u>
3. <u>Tax on Ordinary Activities</u>	<u>£</u>	<u>£</u>
United Kingdom Corporation Tax	61680	1986
	<u> </u>	<u> </u>
4. <u>Creditors: Amounts falling due within one year</u>	<u>£</u>	<u>£</u>
Trade Creditors	28626	2748
Directors Current Account	10846	15127
Accruals and deferred income	1000	1080
Corporation Tax	63666	1986
Other taxes and Social Security	45595	9079
Associated Companies	165900	
	<u>305633</u>	<u>30020</u>

OMNICOM ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR 1997

5.	<u>Called up Share Capital</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
	Ordinary Shares of £ 1 each:		
	Allotted and fully paid	2	2
	Authorised	1000	1000
6.	<u>Profit and Loss Account</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
	At 1 September 1996	8122	
	Profit for the Year	142209	8122
	At 31 August 1997	150331	8122
7.	<u>Shareholders Funds</u>		
	Reconciliation in movements in shareholders funds:	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
	Opening Shareholders Funds	8124	
	Increase in shareholders funds - Retained Profits	142209	8122
	Share Capital		2
		150333	8124
8.	<u>Approval of Accounts</u>		
	These accounts were approved at directors' meeting held on 14 September 1998.		
9.	<u>Tangible Fixed Assets</u>		
		<u>Office</u> <u>Equipment</u>	<u>Computer</u> <u>Equipment</u>
	<u>Cost</u>		<u>Total</u>
	Additions	1057	46398
	At 31 August 1977	1057	46398
	<u>Depreciation</u>		
	Charge for the year	264	15466
		264	15466
	WDV	793	30932

10. Investment

The company owns 6451 Ordinary 20p shares in Halifax PLC.