Company No. 02696599

FoxWare Limited

Abbreviated Accounts

30 June 1995

Auditors' Report to the Directors of FoxWare Limited

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985 we have examined the abbreviated accounts on pages 2 to 6 together with the full financial statements of the company for the year ended 30 June 1995. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part III of Schedule 8 to that Act in respect of the year ended 30 June 1995 and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with that schedule.

On 22 April 1996 we reported, as auditors of FoxWare Limited to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1995 and our audit report was as follows:-

"We have audited the financial statements on pages 7 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

Respective responsibilities of directors and auditors
As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our 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.

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 mis-statement, 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 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

22.IV.1996

Registered Auditors

ABBREVIATED BALANCE SHEET
YEAR ENDED 30 JUNE 1995

	Note	1995 £	1995 £	1994 £	1994 £
FIXED ASSETS					
Tangible Assets	2	27,756		24,369	
Investment in subsidiaries	3	60		0	
			27,816		24,369
CURRENT ASSETS					
Stocks		5,118		4,872	
Debtors		225,205		234,821	
Cash at bank & in hand		10,182		1,711	
		240,505		241,404	
CREDITORS: amounts falling due within one year		194,822		232,797	
		194,822		232,797	
NET CURRENT ASSETS			45,683		8,607
TOTAL ASSETS LESS CURRENT LIABILITIES			73,499		32,976
CREDITORS: amounts falling due after more than one year	4		0		(4,050)
NET ASSETS			£ 73,499		£ 28,926
CAPITAL & RESERVES					
Called up share capital	5		10,000		10,000
Profit & loss account			63,499		18,926
SHAREHOLDERS FUNDS attributable to equity interests			£ 73,499		£ 28,926

In preparing these abbreviated accounts the directors have:

a) relied upon exemptions for individual accounts under Section 246 of the Companies Act 1985 and

b) done so on the grounds that the company is entitled to those exemptions as a small company.

Advantage is taken in the preparation of the financial statements of the special exemptions conferred by Part1 of schedule 8 to the Companies Act 1985. In the opinion of the directors the company is entitled to those exemptions as a small company.

Approved by the board on 22.4.96

E A Callaghan

The notes on pages 4 to 6 form part of these abbreviated accounts

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES
YEAR ENDED 30 JUNE 1995

The retained profit for the year was the only recognised gain or loss in the year.

HISTORICAL COST PROFIT AND LOSS
YEAR ENDED 30 JUNE 1995

All assets are stated in the financial statements at historical cost. Therefore, no adjustments are required to the reported profit which is stated on an unmodified historical cost basis.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
YEAR ENDED 30 JUNE 1995

	1995	1994
	£	£
Profit for the financial year	44,573	14,052
Dividends	0	(17,443)
Net change in funds	44,573	(3,391)
At 1 July 1994	28,926	32,317
At 30 June 1995	£ 73,499	£ 28,926

NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 1995

1 **Accounting Policies**

The financial statements have been prepared in accordance with the following accounting policies

1.1 **Turnover**

Turnover represents sales invoiced less discounts and VAT

1.2 **Depreciation of Tangible Fixed Assets**

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value over the estimated useful life as follows:

Office equipment	- 25% per annum on cost
Furniture & fittings	- 25% per annum on cost
Motor vehicles	- 25% per annum on cost

1.3 **Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost comprises the purchase price plus the cost incurred in bringing each product to its present location or condition. Net realisable value is based on estimated selling price and further costs expected to be incurred to completion, sale and distribution.

1.4 **Finance Leases and Hire Purchase contracts**

Assets held under finance lease and hire purchase contracts are capitalised as tangible fixed assets and depreciated in accordance with the policies outlined above. Lease obligations are included as creditors, with the interest being charged against profit over the period of the lease.

1.5 **Operating Leases**

Rentals under operating leases are charged against profit as they are incurred.

1.6 **Deferred Taxation**

No provision for deferred taxation has been made in the financial statements as, in the opinion of the directors, such a provision is unlikely to be required in the foreseeable future.

1.7 **Foreign Currencies**

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Currency fluctuations arising from settled transactions are taken to the profit and loss account when they arise.

1.8 **Cash Flow Statement**

The company is a small company as defined by sections 246 and 247 of the Companies Act 1985. It has therefore taken advantage of the exemption conferred by Financial Reporting Standard Number 1 not to prepare a cash flow statement.

1.9 **Group Accounts**

The subsidiary undertaking FoxWare (M.R.) Limited commenced to trade in the year. No group accounts have been prepared as the company has claimed exemption under section 248 of the Companies Act 1985 from the preparation of group accounts on the grounds that the group is small.

NOTES TO THE ABBREVIATED ACCOUNTS - Continued
YEAR ENDED 30 JUNE 1995

2 **Tangible Fixed Assets**

	Total £
Cost	
At 1 July 1994	39154
Additions	15819
Disposals	0
At 30 June 1995	£ 54,973
Depreciation	
At 1 July 1994	14785
Charge for the year	12432
Disposals	0
At 30 June 1995	£ 27,217
Net Book Value at	
30 June 1995	£ 27,756
30 June 1994	£ 24,369

The net book value of fixed assets includes the following amounts for assets held under finance leases:

30 June 1995	£ 9,119
30 June 1994	£ 15,030

3 **Investment in subsidiaries**

	1995 £
Cost	
At 1 July 1994	0
Additions	60
Disposals	0
At 30 June 1995	£ 60

The investment in subsidiary comprises a 60% holding of the issued share capital of FoxWare (M.R.) Limited, a company registered in England & Wales, which is concerned with the provision of computer services and consultancy.
At 30 June 1995 FoxWare (M.R.) Limited made a loss, after tax, of £11,852, and the aggregate of the share capital and reserves amounted to £(11,752).

NOTES TO THE ABBREVIATED ACCOUNTS - Continued
YEAR ENDED 30 JUNE 1995

4 **Creditors - Amounts falling due after more than one year**

	1995	1994
	£	£
Obligations under lease and hire purchase contracts	0	4,050

5 **Share Capital**

	1995	1994
	£	£
Authorised		
A ordinary shares of £1 each	99,999	99,999
B ordinary shares of £1 each	1	1
	£ 100,000	£ 100,000
Allotted, called up and fully paid		
A ordinary shares of £1 each	9,999	9,999
B ordinary shares of £1 each	1	1
	£ 10,000	£ 10,000

6 **Directors' interest in contracts**

Ms Callaghan is a director of certain companies which charged or were charged amounts during the year ended 30 June 1995

Charged by FoxWare Limited:

DeSoft (UK) Limited -	Management Fees £3,000
FoxWare (M.R.) Limited -	Consultancy Fees £48,625
	Training Fees £1,060
	Management Fees £24,786

Charged to FoxWare Limited:

FoxWare (M.R.) Limited -	Consultancy Fees £4,700

7 **Lease Commitments**

At 30 June 1995 there was the following annual commitment under an irrevocable operating lease:

Operating lease expiring	**Land & buildings**
In two to five years	£ 14,800