

DATAMAN PROGRAMMERS LIMITED

FINANCIAL STATEMENTS

31ST MAY 1997



KENNEDY LEGG

ACCOUNTANTS AND REGISTERED AUDITORS

DORCHESTER

DATAMAN PROGRAMMERS LIMITED

FINANCIAL STATEMENTS

for the year ended 31st May 1997

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DATAMAN PROGRAMMERS LIMITED

COMPANY INFORMATION

31st May 1997

CHAIRMAN

Mr B Savage

SECRETARY

Mrs E Hammond

REGISTERED OFFICE

Station Road
Maiden Newton
Dorset DT2 0AE

BANKERS

Barclays Bank PLC
10 South Street
Dorchester
Dorset DT1 1BT

AUDITORS

Kennedy Legg
Stafford House
10 Prince of Wales Road
Dorchester
Dorset DT1 1PW

DATAMAN PROGRAMMERS LIMITED

DIRECTORS' REPORT

31st May 1997

The director presents his report and the audited financial statements for the year ended 31st May 1997.

Principal activity

The principal activity of the company is the manufacture and supply of Erasable Programmable Read Only Memory Programmers and associated products.

Directors

The director of the company during the year and his interest in the shares of the company as recorded in the register of directors' interests was as follows:

	31st May 1997 Ordinary shares	1st June 1996 Ordinary shares
Mr B Savage	1,000	1,000

Charitable and political donations

Payments of a charitable nature made during the year amounted to £350.

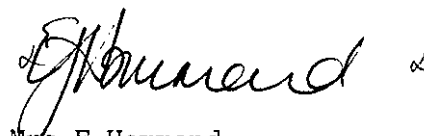
Auditors

The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Kennedy Legg will continue in office.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Mrs E Hammond
Secretary

Station Road
Maiden Newton
Dorset DT2 0AE

30th October 1997

DATAMAN PROGRAMMERS LIMITED

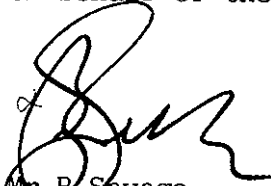
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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.

On behalf of the board


Mr. B. Savage
Chairman

30th October 1997

DATAMAN PROGRAMMERS LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Dataman Programmers Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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.

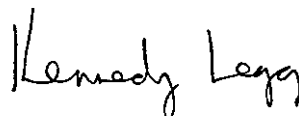
Basis of opinion

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 misstatement, whether caused by fraud or error or other irregularity. 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 31st May 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Kennedy Legg
Registered Auditors
Dorchester
30th October 1997

DATAMAN PROGRAMMERS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st May 1997

	Note	1997 £	1996 £
Turnover	2	1,365,236	1,179,950
Cost of sales		(629,847)	(478,794)
Gross profit		735,389	701,156
Net operating expenses			
Administrative expenses		(388,435)	(416,537)
Other operating income		30,270	23,842
Operating profit	3	377,224	308,461
Interest payable	5	-	(1,990)
Profit on ordinary activities before taxation		377,224	306,471
Taxation	6	(99,908)	(84,410)
Profit on ordinary activities after taxation		277,316	222,061
Dividends	7	(8,000)	-
Retained profit for the year	14	269,316	222,061

Movements in reserves are shown in note 14.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1997 or 1996 other than the profit for the year.

DATAMAN PROGRAMMERS LIMITED

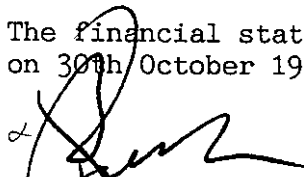
BALANCE SHEET

at 31st May 1997

	Note	£	1997 £	£	1996 £
Fixed assets					
Intangible assets	8		118,125		125,625
Tangible assets	9		49,946		63,287
			<u>168,071</u>		<u>188,912</u>
Current assets					
Stocks		255,305		315,695	
Debtors	10	132,625		231,928	
Cash at bank and in hand		871,693		568,528	
			<u>1,259,623</u>		<u>1,116,151</u>
Creditors: amounts falling due within one year	11	(218,444)		(365,129)	
Net current assets			<u>1,041,179</u>		<u>751,022</u>
Total assets less current liabilities			<u>1,209,250</u>		<u>939,934</u>
Capital and reserves					
Called up share capital	13		1,000		1,000
Profit and loss account	14		1,208,250		938,934
Total shareholders' funds	12		<u>1,209,250</u>		<u>939,934</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 11 were approved by the board of directors on 30th October 1997 and signed on its behalf by:


 Mr B Savage
 Chairman

DATAMAN PROGRAMMERS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1997

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant equipment fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance
Goodwill	straight line over 20 years

Tools and equipment costing individually less than £100 are written off on acquisition since their overall value is immaterial and their quantity and composition does not fluctuate significantly from year to year.

Research and development

Expenditure on research and development incurred in the year other than on fixed assets is charged against profit.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

DATAMAN PROGRAMMERS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1997

2 Turnover

In the opinion of the directors, 53% of the turnover of the company is attributable to geographical markets outside the UK. (1996 55%)

3 Operating profit

	1997 £	1996 £
Operating profit is stated after crediting		
Interest receivable	30,270	23,842
Profit on sale of assets	6,388	-
	<u> </u>	<u> </u>
and after charging		
Auditors' remuneration	3,700	3,400
Loss on foreign exchange	276	-
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 9)		
owned assets	16,649	21,095
Amortisation of intangible fixed assets (note 8)	7,500	7,500
	<u> </u>	<u> </u>
	24,149	28,595
	<u> </u>	<u> </u>

4 Directors

	1997 £	1996 £
Directors' emoluments	21,500	-
	<u> </u>	<u> </u>

5 Interest payable

	1997 £	1996 £
Interest payable	-	1,990
	<u> </u>	<u> </u>

6 Taxation

	1997 £	1996 £
Corporation tax on profit on ordinary activities at 33% (1996 33%)	99,908	81,129
Under provision in earlier years	-	3,281
	<u> </u>	<u> </u>
	99,908	84,410
	<u> </u>	<u> </u>

7 Dividends

	1997 £	1996 £
Equity - ordinary/final	8,000	-
	<u> </u>	<u> </u>

DATAMAN PROGRAMMERS LIMITED
NOTES ON FINANCIAL STATEMENTS

31st May 1997

8 Intangible fixed assets

	Goodwill £
Cost	
1st June 1996	150,000
and	
31st May 1997	<u> </u>
Amortisation	
1st June 1996	24,375
Charge for the year	7,500
	<u> </u>
31st May 1997	<u>31,875</u>
Net book amount	
31st May 1997	<u>118,125</u>
1st June 1996	<u>125,625</u>

9 Tangible fixed assets

	Motor Vehicles £	Plant Equipment Fixtures and Fittings £	Total £
Cost			
1st June 1996	35,360	90,103	125,463
Additions	-	18,420	18,420
Disposals	(26,865)	-	(26,865)
	<u>8,495</u>	<u>108,523</u>	<u>117,018</u>
31st May 1997			
Depreciation			
1st June 1996	16,888	45,288	62,176
Charge for year	840	15,809	16,649
Disposals	(11,753)	-	(11,753)
	<u>5,975</u>	<u>61,097</u>	<u>67,072</u>
31st May 1997			
Net book amount			
31st May 1997	<u>2,520</u>	<u>47,426</u>	<u>49,946</u>
1st June 1996	<u>18,472</u>	<u>44,815</u>	<u>63,287</u>

DATAMAN PROGRAMMERS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1997

10 Debtors

	1997 £	1996 £
Amounts falling due within one year		
Trade debtors	127,572	228,875
Other debtors	5,053	3,053
	<u>132,625</u>	<u>231,928</u>

11 Creditors: amounts falling due within one year

	1997 £	1996 £
Trade creditors	33,140	125,100
Corporation tax	99,908	81,129
Other taxation and social security	9,686	5,535
Other creditors	75,710	153,365
	<u>218,444</u>	<u>365,129</u>

12 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year	277,316	222,061
Dividends	(8,000)	-
Net addition to shareholders' funds	<u>269,316</u>	<u>222,061</u>
Opening shareholders' funds	<u>939,934</u>	<u>717,875</u>
Closing shareholders' funds	<u>1,209,250</u>	<u>939,934</u>

13 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary £1 shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid				
Ordinary £1 shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

DATAMAN PROGRAMMERS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st May 1997

14 Profit and loss account

	1997 £
1st June 1996	938,934
Retained profit for the year	269,316
31st May 1997	1,208,250

15 Post balance sheet events

On the 12th June 1997 the company purchased the freehold interest in 215 East Michigan Avenue, Orange City, Florida. The gross purchase consideration was £61,256.

On the 6th August 1997 the company purchased the freehold interest in 1 Bingleaves Road, Weymouth, Dorset. The gross purchase consideration was £219,000.

16 Capital commitments

There were no capital commitments at the 31st May 1997.

17 Contingent liabilities

There were no contingencies at the 31st May 1997.

18 Controlling party

The company was controlled throughout the current and previous period by its sole director, Mr B Savage, by virtue of his 100% holding of the company's issued share capital.

19 Related parties

The company operates from premises owned by the sole director and shareholder, Mr B Savage. No rent was paid by the company for the use of the premises during the year ended 31st May 1997.