Registrar

Company Number: 3086619

LAMBDA LOGIC LIMITED

Financial Statements

for the year ended 31 August 1997

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LAMBDA LOGIC LIMITED

Company Information

Company No: 3086619

Registered Office

Salisbury House
Station Road
Cambridge
CB1 2LA

Director

G M Clemow

Secretary

Mrs H L Clemow

Accountants

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Lloyds Bank Plc
Cattle Market
Cambridge

LAMBDA LOGIC LIMITED

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LAMBDA LOGIC LIMITED

Director's Report

for the year ended 31 August 1997

The director submits his report together with the unaudited financial statements for the year ended 31 August 1997.

Results and Dividends

The profit on the ordinary activities of the company before taxation amounted to £10,902. After deducting taxation and dividends, the profit of £617 has been transferred to reserves.

The director recommends dividends amounting to £7,800.

Principal Activity and Business Review

The principal activity of the company is computer software and hardware development. The director is pleased with the results for the year and intends to continue and develop this activity.

Director's Interest

The director who served during the year and his beneficial interest in the share capital of the company was as follows:

	Ordinary shares of £1 each	
	1997	1996
	No.	No.
G M Clemow	100	100

Cashflow Statement

In the opinion of the director the company qualifies as a small company and as such no cashflow statement has been prepared.

Accountants

The Accountants, Peters Elworthy & Moore Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By Order of the Board:

Helen Clemow

Mrs H L Clemow
Secretary
23 October 1997

LAMBDA LOGIC LIMITED

Profit and Loss Account

for the year ended 31 August 1997

	Notes	1997 £	1996 £
Turnover		23,544	19,231
Administrative expenses		(12,642)	(14,446)
Operating profit	2	10,902	4,785
Tax on profit on ordinary activities	4	(2,485)	(1,220)
Profit on ordinary activities after Taxation		8,417	3,565
Dividends		(7,800)	(3,000)
Retained profit transferred to reserves		617	565
Retained profit brought forward		565	-
Retained profit carried forward		1,182	565

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

The notes on pages 4 to 6 form part of these financial statements.

LAMBDA LOGIC LIMITED

Balance Sheet

as at 31 August 1997

	Notes	1997 £	1997 £	1996 £	1996 £
Fixed Assets					
Tangible fixed assets	5		2,573		3,534
Current Assets					
Debtors	6	255		5,404	
Cash at bank		3,539		258	
		3,794		5,662	
Creditors:					
Amounts falling due within one year	7	(5,085)		(8,531)	
Net Current (Liabilities)			(1,291)		(2,869)
Total Assets Less Current Liabilities			1,282		665
Capital and Reserves					
Share capital	9		100		100
Profit and loss account			1,182		565
Equity Shareholders' Funds			1,282		665

In the director's opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its financial statements for the year ended 31 August 1997. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The director acknowledges his responsibilities for: ensuring that the company keeps accounting records which comply with section 221; and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at 31 August 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD



G M Clemow
Director

Approved by the Board on 23 October 1997

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Cash Flow Statement

In the opinion of the director the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Computer equipment	25% straight line
Furniture	25% reducing balance
Office equipment	25% reducing balance

2 Operating Profit

The operating profit is stated after charging or crediting:

	1997	1996
	£	£
Depreciation - owned assets	1,230	1,177

3 Director and Employees

Staff costs during the year were as follows:

	1997	1996
	£	£
Wages and salaries	5,302	4,796
	5,302	4,796

The average monthly number of employees, including the director, during the year was as follows:

	1997	1996
	Number	Number
Management	1	1

4 Tax on Profit on Ordinary Activities

	1997 £	1996 £
Based on the profit for the year:		
U.K Corporation tax at 24% and 21%	2,480	1,220
Prior year adjustments - corporation tax	5	-
	2,485	1,220

5 Tangible Fixed Assets

	Computer equipment	Office equipment	Furniture	Total
Cost	£	£	£	£
At 1 September 1996	4,462	210	40	4,712
Additions	220	-	49	269
At 31 August 1997	4,682	210	89	4,981
Depreciation				
At 1 September 1996	1,115	53	10	1,178
Charged for the year	1,171	39	20	1,230
At 31 August 1997	2,286	92	30	2,408
Net Book Value				
At 31 August 1997	2,396	118	59	2,573
At 31 August 1996	3,347	157	30	3,534

6 Debtors

	1997 £	1996 £
Trade debtors	-	5,383
Prepayments and accrued income	255	21
	255	5,404

7 Creditors: Amounts falling due within one year

	1997 £	1996 £
Corporation tax	530	470
Other taxes and social security	12	42
Director's loan	4,000	7,542
Accruals and deferred income	543	477
	5,085	8,531

8 Director's Loan

The director's loan is free of interest and is repayable on demand.

9 **Share Capital**

Authorised	**1997**	1996
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000
	1,000	1,000

Allotted and fully paid	**1997**	1996
	£	£
100 Ordinary shares of £1 each	100	100