Evans & Co.

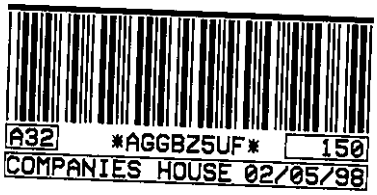
CHARTERED ACCOUNTANTS

REFERENCE POINT COMPUTERS LIMITED

FINANCIAL STATEMENTS

31ST MARCH 1997

Company Registration Number 02800498



EVANS & CO.
Chartered Accountants & Registered Auditors
51 Brunswick Road,
Gloucester.
GL1 1JS.

REFERENCE POINT COMPUTERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1997

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THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 1997

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st March 1997.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was Computer Software Development and Support.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year, together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	31 March 1997	31 March 1996
T. Davies	50	50
J. S. Hutchinson	50	50

REPORTING ACCOUNTANTS

Messrs. Evans & Co. will continue in office as reporting accountants for the ensuing year.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors

Company Secretary

Registered Office:
295-299 High Street,
Cheltenham,
GL50 3JF.

Approved by the directors on 31 March 1998

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST MARCH 1997

We report on the unaudited accounts for the year ended 31st March 1997 set out on pages 3 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE REPORTING ACCOUNTANTS

As described on page 5 the directors of the company are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

(a) the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;

(b) having regard only to, and on the basis of, the information contained in those accounting records:

(i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and

(ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemptions specified in section 249B(1)(a) to (f).

51 Brunswick Road,
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GL1 1JS.

EVANS & CO.
Chartered Accountants

31 March 1998

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1997

	Note	1997 £	1996 £
TURNOVER		194087	189921
Cost of Sales		(153256)	(180557)
GROSS PROFIT		40831	9364
Administrative expenses		(28488)	(13111)
OPERATING PROFIT/(LOSS)	2	12343	(3747)
Interest payable and similar charges		(2)	(31)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		12341	(3778)
Tax on profit/(loss) on ordinary activities	3	(3013)	911
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		9328	(2867)
Balance brought forward		577	3444
BALANCE CARRIED FORWARD		9905	577

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing

The notes on pages 5 to 8 form part of these financial statements

BALANCE SHEET
31ST MARCH 1997

	Note		1997 £		1996 £
FIXED ASSETS					
Tangible assets	4		424		498
CURRENT ASSETS					
Stocks		530		707	
Debtors	5	47250		20871	
		47780		21578	
CREDITORS: Amounts falling due within one year	6	(38199)		(21399)	
NET CURRENT ASSETS			9581		179
TOTAL ASSETS LESS CURRENT LIABILITIES			10005		677
CAPITAL AND RESERVES					
Called-up equity share capital	8		100		100
Profit and loss account			9905		577
SHAREHOLDERS' FUNDS	9		10005		677

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(2), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

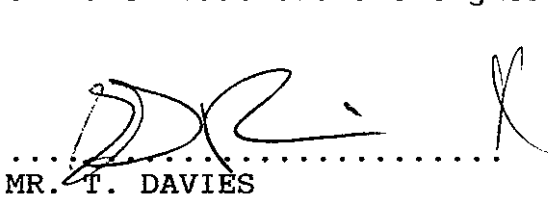
(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

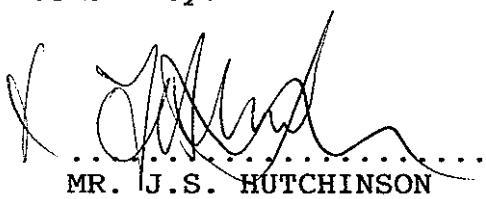
BALANCE SHEET (Continued)
31ST MARCH 1997

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 31 March 1998 and are signed on their behalf by:



MR. T. DAVIES



MR. J.S. HUTCHINSON

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1997

1. ACCOUNTING POLICIES

Basis of accounting
The financial statements have been prepared under the historical cost convention.

Cash Flow statement
The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover
The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	15% reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT/LOSS

Operating profit/loss is stated after charging:

	1997 £	1996 £
Directors' emoluments	-	-
Depreciation	74	88
Auditors' fees	-	-

3. TAXATION ON PROFIT/LOSS ON ORDINARY ACTIVITIES

	1997 £	1996 £
Corporation tax based on the results for the year at 24% (1996 - 25%)	3013	(911)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1997

4. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1st April 1996 and 31st March 1997	674
DEPRECIATION	
At 1st April 1996	176
Charge for the year	74
At 31st March 1997	250
NET BOOK VALUE	
At 31st March 1997	424
At 31st March 1996	498

5. DEBTORS

	1997 £	1996 £
Trade Debtors	39250	18585
Prepayments and accrued income	8000	2286
	47250	20871

6. CREDITORS: Amounts falling due within one year

	1997 £	£	1996 £	£
Bank loans and overdrafts		3499		-
Trade creditors		16449		17691
Other creditors including:				
Corporation Tax	3028		-	
VAT	2175		-	
		5203		-
Accruals and deferred income		13048		3708
		38199		21399

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1997

7. TRANSACTIONS WITH THE DIRECTORS

During the year the company purchased £94935 worth of materials/services on normal commercial terms from Contract Computing Ltd, a company in which T. Davies, a director, had a material interest. Also during the year the company purchased £3422 of materials/services on normal commercial terms from Hutchinson's, a company in which Mr. J.S. Hutchinson, a director, had a material interest.

8. SHARE CAPITAL

Authorised share capital:

	1997 £	1996 £
100 Ordinary shares of £1 each	100	100

Allotted, called up and fully paid:

	1997 £	1996 £
Ordinary share capital	100	100

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit/(Loss) for the financial year	9328	(2867)
Opening shareholders' equity funds	677	3544
Closing shareholders' equity funds	10005	677