REGISTERED NUMBER: 2690873 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1995

FOR

SYNTAX INTEGRATION LIMITED

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COMPANIES HOUSE 24/07/96

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 1995

DIRECTORS:	A. Al-Och T.S. Parker Z. Miskawi
SECRETARY:	C. McMullon
REGISTERED OFFICE:	Syntax House 44 Russell Square London WC1B 4JP
REGISTERED NUMBER:	2690873 (England and Wales)
AUDITORS:	M.G.BEATTIE & CO., REGISTERED AUDITORS, CHARTERED ACCOUNTANTS, 6, Main Avenue, Moor Park, Northwood, Middlesex, HA6 2HJ.
BANKERS:	Lloyds Bank PLC Victoria House Southampton Row London WC1B 5HR
SOLICITORS:	Kingsfords Stacey 14 Old Square Lincoln's Inn London WC2A 3UB

REPORT OF THE AUDITORS TO SYNTAX INTEGRATION LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages four to seven together with the full financial statements of SYNTAX INTEGRATION LIMITED prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion
We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion
In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995, and the abbreviated financial statements on pages four to seven have been properly prepared in accordance with that Schedule.

Other information
On 28 March 1996 we reported, as auditors of SYNTAX INTEGRATION LIMITED, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995, and our audit report was as follows:

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

Respective responsibilities of directors and auditors
As described on page nil 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 judgments 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE AUDITORS TO SYNTAX INTEGRATION LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."

M.G.BEATTIE & CO.,
REGISTERED AUDITORS,
CHARTERED ACCOUNTANTS,
6, Main Avenue,
Moor Park,
Northwood,
Middlesex, HA6 2HJ.

Dated: 28 March 1996

ABBREVIATED BALANCE SHEET
31 DECEMBER 1995

	Notes	31.12.95 £	31.12.95 £	31.12.94 £	31.12.94 £
FIXED ASSETS:					
Intangible assets	2		9,960		14,759
Tangible assets	3		15,489		16,529
Investments	4		3		-
			25,452		31,288
CURRENT ASSETS:					
Stocks		151,683		51,098	
Debtors	5	594,066		268,272	
Cash at bank and in hand		543,923		204,053	
		1,289,672		523,423	
CREDITORS: Amounts falling due within one year	6	1,111,860		429,064	
NET CURRENT ASSETS:			177,812		94,359
TOTAL ASSETS LESS CURRENT LIABILITIES:			£203,264		£125,647
CAPITAL AND RESERVES:					
Called up share capital	7		85,000		85,000
Profit & loss account			118,264		40,647
Shareholders' funds			£203,264		£125,647

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

In preparing the full financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A. Al-Och - DIRECTOR

T.S. Parker - DIRECTOR

Approved by the Board on 28 March 1996

The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1995

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1
Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 1993, is being written off evenly over its estimated useful life of five years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

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

Deferred taxation
Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions
The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. INTANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 1995 and 31 December 1995	23,950
AMORTISATION:	
At 1 January 1995	9,190
Charge for year	4,800
At 31 December 1995	13,990
NET BOOK VALUE:	
At 31 December 1995	9,960
At 31 December 1994	14,759

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1995

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 1995	21,584
Additions	8,870
Disposals	(1,280)
At 31 December 1995	29,174
DEPRECIATION:	
At 1 January 1995	5,054
Charge for year	9,413
Eliminated on disposals	(782)
At 31 December 1995	13,685
NET BOOK VALUE:	
At 31 December 1995	15,489
At 31 December 1994	16,529

4. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	3
At 31 December 1995	3
NET BOOK VALUE:	
At 31 December 1995	£3

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Syntax Integration (Software) Limited
Registered: England and Wales
Nature of business: dormant for year

	%
	holding
Class of shares:	
Ordinary shares	50.00

House of Blues Limited
Registered: England and Wales
Nature of business: dormant for year

	%
	holding
Class of shares:	
Ordinary shares	100.00

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1995

5. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.95	31.12.94
	£	£
Debtors falling due 1 - 2 year	25,000	-
Debtors falling due 2 - 3 year	50,000	-
	75,000	-

6. CREDITORS

The following secured debts are included within creditors:

	31.12.95	31.12.94
	£	£
Bank overdrafts	92,054	1,829

7. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.12.95 £	31.12.94 £
85,000	Ordinary shares	£1	85,000	85,000

Allotted and issued:

Number:	Class:	Nominal value:	31.12.95 £	31.12.94 £
85,000	Ordinary shares	£1	85,000	85,000

SYNTAX INTEGRATION LIMITED

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