

FIT S3 Limited

Financial statements

For the year ended 31 December 2002

Grant Thornton 



Company No. 1460182

Company information

Company registration number	1460182
Registered office	Glen Morven Forest Drive Kingswood Tadworth Surrey KT20 6LQ
Directors	W Strauss G Wells P Long
Secretary	P Skelton
Bankers	National Westminster Bank PLC 1 Princes Street London EC2R 8PA
Solicitors	Denton Wilde Sapte 5 Chancery Lane Clifford's Inn London EC4A 1BU
Auditors	Grant Thornton Chartered Accountants Registered Auditors Grant Thornton House Melton Street Euston Square London NW1 2EP

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2002.

Principal activities

The principal activity of the company in the year was that of computer system consultants.

Directors

The directors who served the company during the year were as follows:

W Strauss
S Levy
G Wells

The interests of W Strauss and S Levy in the shares of the parent company, Financial Information Technology Limited, are shown in that company's financial statements.

No rights to subscribe for shares in or debentures of the company have been granted to, or exercised by, any director.

P Long was appointed as a director on 6 May 2003.
S Levy retired as a director on 11 March 2003.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Auditors

A resolution to re-appoint Grant Thornton as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small company provisions

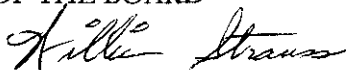
This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD

W Strauss

Director

Date



30/10/03

Report of the independent auditors to the members of Fit S3 Limited

We have audited the financial statements of FIT S3 Limited for the year ended 31 December 2002 which comprise the profit and loss account, balance sheet and notes 1 to 12. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the accounting policies set out therein.

This report is made solely to the company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 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 affairs of the company as at 31 December 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton

GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
London

Date
30 October 2003

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The accounts have been prepared on a going concern basis on the assumption that the parent undertaking will continue to make adequate funds available to enable the company to meet its liabilities as and when they fall due. The directors have no reason to believe that this financial support will not continue in the future and consider it appropriate to adopt a going concern basis. The accounts do not contain any adjustments that would be necessary should this basis not be appropriate.

The principal accounting policies of the company have remained unchanged from the previous period and are set out below.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

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:

Computer software and equipment - 2 years straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Going concern

The foreseeable future considered by the directors in their going concern assessment was less than a year from the date of approval of the financial statements.

Profit and loss account

	Note	2002 £	2001 £
Turnover	1	165,198	157,321
Cost of sales		121,784	120,109
Gross profit		<u>43,414</u>	<u>37,212</u>
Other operating income and charges	2	(6,980)	87,507
Profit/(loss) on ordinary activities before taxation		<u>50,394</u>	<u>(50,295)</u>
Tax on profit/(loss) on ordinary activities	4	—	—
Retained profit/(loss) for the financial year		<u><u>50,394</u></u>	<u><u>(50,295)</u></u>

All of the activities of the company are classed as continuing.


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

Balance sheet

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	5	—	—
Current assets			
Debtors	6	46,334	86,352
Cash at bank		18,352	1,698
		<u>64,686</u>	<u>88,050</u>
Creditors: amounts falling due within one year	7	<u>164,064</u>	<u>237,822</u>
Net current liabilities		<u>(99,378)</u>	<u>(149,772)</u>
Total assets less current liabilities		<u>(99,378)</u>	<u>(149,772)</u>
Capital and reserves			
Called-up equity share capital	10	3	3
Profit and Loss Account	11	<u>(99,381)</u>	<u>(149,775)</u>
Deficiency		<u>(99,378)</u>	<u>(149,772)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 30/10/03 and are signed on their behalf by:



W Strauss
Director

Notes to the financial statements

1 Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to xx (2001: 49%).

2 Other operating income and charges

	2002	2001
	£	£
Administrative expenses	<u>(6,980)</u>	<u>87,507</u>

3 Operating profit

Operating profit/(loss) is stated after charging:

	2002	2001
	£	£
Directors' emoluments	—	—
Depreciation	—	5,733
Auditors' fees	<u>5,000</u>	<u>4,000</u>

4 Tax on profit or (loss) on ordinary activities

The 2002 taxation charge has been reduced from £9,451 to £Nil by way of group relief.

5 Tangible fixed assets

	Computer Software & Equipment £
Cost	
At 1 January 2002 and 31 December 2002	<u>11,466</u>
Depreciation	
At 1 January 2002	<u>11,466</u>
At 31 December 2002	<u>11,466</u>
Net book value	
At 31 December 2002 and 31 December 2001	<u>-</u>

6 Debtors

	2002 £	2001 £
Trade debtors	30,261	70,161
Other debtors	16,073	16,191
	<u>46,334</u>	<u>86,352</u>

7 Creditors: amounts falling due within one year

	2002 £	2001 £
Trade creditors	13,333	2,683
Amounts owed to group undertakings	123,547	191,710
Other taxation and social security	3,110	3,056
Other creditors	24,074	40,373
	<u>164,064</u>	<u>237,822</u>

8 Pensions

Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the employees of FIT S3 Limited. Pension contributions are charged to the profit and loss account when due.

The pension cost charge for the year was £5,262 (2001: £5,637).

Pension contributions of £1,049 were outstanding at 31 December 2002.

9 Related party transactions

During the year the company made purchases at normal market prices of £Nil (2001: £9,125) from Financial Information Technology Limited, its parent company. At the balance sheet date the amount due to Financial Information Technology was £123,547 (2001: £191,710).

10 Share capital

Authorised share capital:

	2002	2001
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
	2002	2001
	£	£
Ordinary share capital	<u>3</u>	<u>3</u>

11 Profit and loss account

	2002	2001
	£	£
Balance brought forward	(149,775)	(99,480)
Retained profit/(accumulated loss) for the financial year	<u>50,394</u>	<u>(50,295)</u>
Balance carried forward	<u>(99,381)</u>	<u>(149,775)</u>

12 Ultimate parent company

The directors consider that the ultimate parent undertaking of this company is Financial Information Technology Limited. W Strauss owns 99.8% of the voting shares in Financial Information Technology Limited and ultimately controls the company.