

CLAREMONT CONTROLS LIMITED
COMPUTER SOFTWARE CONSULTANTS
ALBERT HOUSE
ROTHBURY
MORPETH
NORTHUMBERLAND

ABBREVIATED ACCOUNTS FOR THE
YEAR ENDED 30TH SEPTEMBER 1996

J R WATSON & CO
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS



CLAREMONT CONTROLS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996

CONTENTS

1. Report of the Auditors
2. Abbreviated Balance Sheet
- 3 - 4. Notes to Accounts

REPORT OF THE AUDITORS
TO THE DIRECTORS OF CLAREMONT CONTROLS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the full financial statements of the company. The scope of our work for the purpose of this report was limited to confirming that the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Schedule 8 of that Act, and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled to the exemption as set out in the director's statement on page 2 and the abbreviated accounts have been properly prepared in accordance with Schedule 8 Part III of the Companies Act 1985.

On 24th July 1997 we reported to the members on the full statutory accounts of the company prepared under Section 226 of the Companies Act 1985 for the year ended 30th September 1996. Our report under Section 235 of the Companies Act 1985 was as follows:

We have audited the financial statements on pages 4 to 9, which have been prepared under the historical cost convention, and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 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 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.

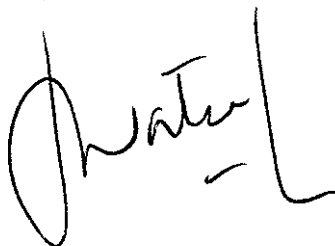
GOING CONCERN

In forming our opinion, we have considered the adequacy of the disclosures made in note 1.a. of the financial statements concerning the anticipated level of future sales in relation to the preparation of the accounts on the going concern basis. The principal asset that is affected by continued operation of the going concern basis is that of work in progress, included in the financial statements at £228262, the accounting policy for which is described in note 1.e. of the financial statements. In view of the significance of this asset we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th September 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

J R WATSON & CO
CHARTERED ACCOUNTANTS
& REGISTERED AUDITORS
50 Hazelwood Road
Northampton NN1 1LT



24th July 1997

CLAREMONT CONTROLS LIMITEDABBREVIATED BALANCE SHEET
AS AT 30TH SEPTEMBER 1996

	<u>Notes</u>	<u>£</u>	<u>1996</u>	<u>£</u>	<u>£</u>	<u>1995</u>	<u>£</u>
FIXED ASSETS							
Tangible Assets	2(a)		29999			37371	
Investments	2(b)		<u>100</u>			<u>100</u>	
			30099			37471	
CURRENT ASSETS							
Stocks and Work in Progress		231748		226830			
Debtors		<u>25083</u>		<u>75495</u>			
Cash at Bank and in Hand		<u>23</u>		<u>15907</u>			
		256854		318232			
CREDITORS - amount falling due within one year		<u>399701</u>		<u>385097</u>			
NET CURRENT LIABILITIES			(142847)			(66865)	
TOTAL ASSETS LESS CURRENT LIABILITIES			£(112748)			£ (29394)	
CAPITAL AND RESERVES							
Share Capital	3		4			4	
Profit and Loss Account			(112752)			(29398)	
			£(112748)			£ (29394)	

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

By order of the board



.....
D J Barber
DIRECTOR

24th July 1997

CLAREMONT CONTROLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996

1. ACCOUNTING POLICIES

The Accounts have been prepared under the historical cost convention. A summary of the more important accounting policies adopted by the company within that convention is set out below.

a. Going Concern

- (i) The accounts have been prepared on the going concern basis, notwithstanding the deficiency of assets, as the major creditor of £261982 is the holding company. The directors of that company have undertaken not to demand payment of this sum in the foreseeable future.
- (ii) The directors have assessed the anticipated level of future sales for a period in excess of one year from the date of signing the accounts, and have taken account of all information that could reasonably be expected to be available.
- (iii) On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis. This assumes that the anticipated level of future sales will be achieved. The financial statements do not include any adjustments that would result if the actual level of future sales is significantly lower than that presently anticipated.

b. Turnover

Turnover represents the invoiced value, excluding value added tax and trade discounts, of goods and services supplied.

c. Fixed Assets and Depreciation

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided on vehicles on a reducing balance basis over their expected useful economic lives, and Computer and Office Furniture on a straight line basis. The following annual rates have been applied:-

Motor Vehicles	25%
Computer Equipment	20%
Furniture and Fittings	20%

d. 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.

e. Stocks and work in progress

Stocks, which consist of goods purchased for resale, are valued at the lower of cost and net realisable value.

Work in progress consists of expenditure incurred on specific projects and is valued at purchase price plus an appropriate allocation of attributable overheads. The costs of the specific projects are charged to the profit and loss account in relation to the total anticipated sales from the project.

f. Pension Scheme

The pension scheme is externally funded. Payments made to the scheme are charged annually to the accounts.

CLAREMONT CONTROLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996

2. FIXED ASSETS

a) Tangible Assets

	<u>Motor Vehicles</u> £	<u>Computer</u> £	<u>Office Furniture</u> £	<u>TOTAL</u> £
<u>COST OR VALUATION</u>				
At 1st October 1995	29645	191018	50349	271012
Additions	-	7010	-	7010
Disposals	-	(160096)	(49800)	(209896)
At 30th September 1996	<u>29645</u>	<u>37932</u>	<u>549</u>	<u>68126</u>

DEPRECIATION

At 1st October 1995	8402	175027	50212	233641
Charge for Year	5311	8961	110	14382
Disposals	-	(160096)	(49800)	(209896)
At 30th September 1996	<u>13713</u>	<u>23892</u>	<u>522</u>	<u>38127</u>

NET BOOK VALUE

At 30th September 1996	<u>15932</u>	<u>14040</u>	<u>27</u>	<u>29999</u>
At 30th September 1995	<u>21243</u>	<u>15991</u>	<u>137</u>	<u>37371</u>

b) Investments

	<u>1996</u> £	<u>1995</u> £
Investment - Claremont Data (South) Ltd	<u>100</u>	<u>100</u>

3. SHARE CAPITAL

Authorised Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Issued and Fully Paid Ordinary Shares of £1 each	<u>4</u>	<u>4</u>

4. ULTIMATE HOLDING COMPANY

The company's ultimate holding company at 30th September 1996 was Keystroke Computing Ltd. incorporated in England.