

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000



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Company No. 01992586

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	S. A. Jepson A. P. Ansell C. Delplanque
Secretary	S. H. Sweetman
Company Number	01992586
Registered Office	12 Sheet Street Windsor Berkshire SL4 1BG
Auditors	Feltons 12 Sheet Street Windsor Berkshire SL4 1BG
Solicitors	Ashurst Morris Crisp Broadwalk House 5 Appold Street London EC2A 2HA
Bankers	Lloyds Bank plc 2 Thames Street Windsor BERKS

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

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DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2000

The directors present their report together with the audited accounts for the year ended 31st March 2000.

Principal Activities

The company's principal activity continued to be that of software consultancy and supply.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares	
	31st March 2000	1st April 1999
S. A. Jepson	-	-
A. P. Ansell	-	-
C. Delplanque (Appointed 10 June 1999)	-	-

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts 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 enable them to ensure that the accounts comply with the Companies Act 1985. They 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.

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2000

Auditors

A resolution to reappoint Feltons Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

The report of the Directors' has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved by the board on *10 November 2000*, and signed on its behalf.

A handwritten signature in black ink, appearing to read 'A. P. Ansell', with a horizontal line extending from the end of the signature.

A. P. Ansell, Director

AUDITORS' REPORT TO THE

SHAREHOLDERS OF DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

We have audited the accounts on pages 4 to 7 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 the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Feltons
Chartered Accountants and Registered Auditors
12 Sheet Street
Windsor
Berkshire
SL4 1BG
Date: 10 November 2000

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 2000**

	Notes	2000 £	1999 £
Turnover	2	35,053	<i>13,549</i>
Cost of Sales		<u>30,827</u>	<u>-</u>
Gross Profit		4,226	<i>13,549</i>
Administrative Expenses		<u>(8,567)</u>	<u>(2,092)</u>
Operating Loss/Profit	3	<u>(4,341)</u>	<u><i>11,457</i></u>
Loss/Profit on Ordinary Activities before Taxation		(4,341)	<i>11,457</i>
Tax on loss/profit on ordinary activities		<u>-</u>	<u>-</u>
Loss/Profit for the Financial Year		(4,341)	<i>11,457</i>
Retained Profit Brought Forward		<u>11,457</u>	<u>-</u>
Retained Profit Carried Forward		<u><u>7,116</u></u>	<u><u><i>11,457</i></u></u>

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

BALANCE SHEET

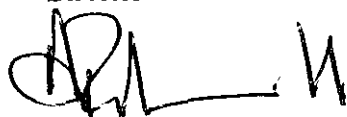
AS AT 31ST MARCH 2000

	Notes	£	2000 £	£	1999 £
Current Assets					
Debtors	4		1,641		14,149
Cash at bank and in hand			8,067		100
			<u>9,708</u>		<u>14,249</u>
Creditors: Amounts Falling Due Within One Year	6		<u>(2,492)</u>		<u>(2,692)</u>
Total Assets Less Current Liabilities			<u>7,216</u>		<u>11,557</u>
Capital and Reserves					
Share capital	6		100		100
Profit and loss account			7,116		11,457
Shareholders' Funds	7		<u>7,216</u>		<u>11,557</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

These accounts were approved by the board on *10 November 2000* and signed on its behalf.

A. P. Ansell
Director



DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

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

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

2 Turnover

Turnover is attributable to the principal activity of the company.

The geographical analysis of turnover is as follows:

	2000 £	1999 £
Europe	35,053	13,549
	<u>35,053</u>	<u>13,549</u>

3 Operating Loss

The operating loss is arrived at after charging or crediting:

	2000 £	1999 £
Auditors' remuneration	1,500	1,200
	<u>1,500</u>	<u>1,200</u>

4 Debtors

Trade debtors

	2000 £	1999 £
Trade debtors	1,641	14,149
	<u>1,641</u>	<u>14,149</u>

DISTRIBUTED INTELLIGENCE CONSULTANTS INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

5	Creditors: Amounts Falling Due Within One Year	2000	1999
		£	£
	Amounts owed to associated companies	492	892
	Other creditors	2,000	1,800
		<u>2,492</u>	<u>2,692</u>
6	Share Capital	2000	1999
		£	£
	Authorised		
	100 Ordinary shares of £1.00 each	100	100
		<u>100</u>	<u>100</u>
	Allotted		
	100 Allotted, called up and fully paid ordinary shares of £1.00 each	100	100
		<u>100</u>	<u>100</u>
7	Reconciliation of Shareholders' Funds	2000	1999
		£	£
	Loss/Profit for the financial year	(4,341)	11,457
	Decrease/Increase in the shareholders' funds	(4,341)	11,457
	Opening shareholders' funds	11,557	100
	Closing shareholders' funds	<u>7,216</u>	<u>11,557</u>
8	Related Parties		

The company's ultimate holding company is Technology in Action Group Limited, a company incorporated in the United Kingdom and registered in England and Wales.

During the year the company was charged £24,000 in management fees by Technology in Action Group Limited

During the year the company purchased goods in the normal course of business from Distributed Intelligence Systems SARL for £6,049 (1999 - £892). The price charged was the cost price plus 15% in the case of each individual purchase. At the balance sheet date the amount due to Distributed Intelligence Systems SARL was £nil (1999 - £892).

During the year the company paid royalties of £6,826 to Retail Research and Design Limited. At the balance sheet date the amount due to Retail Research and Design was £492.

These companies are fellow subsidiaries of Technology in Action Group Limited.