

CADASSIST LTD

REGISTRATION NO: 1994562

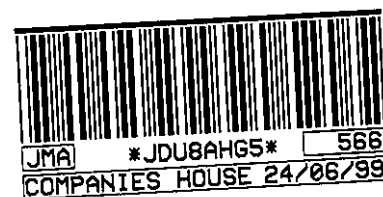
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

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CADASSIST LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 30 JUNE 1998

The directors present their report and the financial statements for the year ended 30 June 1998.

Statement of directors responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are responsible and prudent;
- 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. 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.

Principal Activity

The company's principal activity is that of a CAD Systems Vendor and Consultant.

Directors

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

	Ordinary Shares of £1 each At 30 June 1998	At 1 July 1998
I J Lydon	45	45
A Reece	58	58
I Kelsall	10	10

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

This report was approved by the board on 18 May 1999 and signed on its behalf.


.....
I KELSALL
SECRETARY

CAD ASSIST LIMITED			
JOB No:			
RECEIVED 09 JUN 1999			
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AR			
ICK			
TOTAL			

CADASSIST LIMITED

AUDITORS REPORT TO THE SHAREHOLDERS OF CADASSIST LTD

We have audited the financial statements on pages 3 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on pages 5 and 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, of those statements and to report our opinion to you.

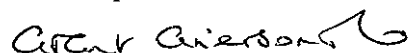
Basis of opinion

We have conducted our audit in accordance with Auditing Standards issued by the Auditing Practises 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 the company's affairs as at 30 June 1998 and of its profit and 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.



Grant Grierson & Co.
Accountants and Registered Auditors
129 Gerald Road
Salford
M6 6BL

18 May 1999

CADASSIST LTD

Profit and Loss Account for the year ended 30 June 1998

	Note	1998 £	1997 £
TURNOVER	1.2	2333209	1741441
Cost of sales		<u>1596159</u>	<u>1231877</u>
GROSS PROFIT		<u>737050</u>	<u>509564</u>
Selling & distribution costs		113939	99459
Administration expenses		<u>548605</u>	<u>367894</u>
OPERATING PROFIT	2	74506	42211
Interest receivable		<u>4608</u>	<u>105</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		79114	42316
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	3	<u>17106</u>	<u>11147</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		62008	31169
Dividends on equity shares	4	<u>12880</u>	<u>14950</u>
RETAINED PROFIT FOR THE YEAR		49128	16219
RETAINED PROFIT BROUGHT FORWARD		<u>142985</u>	<u>126766</u>
RETAINED PROFIT CARRIED FORWARD		<u>192113</u>	<u>142985</u>

The notes on pages 5 to 7 form part of these financial statements.

CADASSIST LIMITED

BALANCE SHEET AS AT 30 JUNE 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible Assets	5	15930	16302
CURRENT ASSETS			
Stocks		16985	30074
Debtors	6	394140	325064
Cash at bank and in hand		<u>23357</u>	<u>76620</u>
		<u>434482</u>	<u>431758</u>
CREDITORS:			
Amounts falling due within 1 year	7	<u>250199</u>	<u>296975</u>
NET CURRENT ASSETS		<u>184283</u>	<u>134783</u>
TOTAL ASSETS		<u>200213</u>	<u>151085</u>
CAPITAL AND RESERVES			
Called Up Share Capital	8	115	115
Share premium account		7985	7985
Profit and loss account		<u>192113</u>	<u>142985</u>
Shareholders' funds		<u>200213</u>	<u>151085</u>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 18 May 1999 and signed on its behalf.



 A. REECE DIRECTOR

The notes on pages 5 to 7 form part of these financial statements.

CADASSIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1998

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of are continuing.

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

1.2 Turnover

Turnover comprises the involved value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicle	25% reducing balance basis
Office equipment	20% reducing balance basis

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower cost and net realisable value after making due allowances for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise.

1.8 Pensions

The company operates a contributory scheme, Cadassist Pension Scheme, and the pension charge represents the amounts payable by the company to the fund in respect of the year.

CADASSIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1998 CONT.....

2. OPERATING Profits

	<u>1998</u>	<u>1997</u>
The operating profit is stated after charging:	£	£
Depreciation of tangible fixed assets		
- owned by the company	10342	9880
Auditors' remuneration	650	450
Operating lease and rentals		
- hire of plant and machinery	-	-
- other	26887	17161
Directors' emoluments	78925	47245
Pension costs	5410	8200

3. TAXATION

	<u>1998</u>	<u>1997</u>
UK current year taxation	£	£
UK corporation tax at 21%	12841	8636
UK corporation tax at 21%	4265	2510
-	<u>17106</u>	<u>11146</u>

4. DIVIDENDS

	<u>1998</u>	<u>1997</u>
	£	£
Interim dividend of £112 per ordinary share - paid	<u>12880</u>	<u>14950</u>
	<u>12880</u>	<u>14950</u>

5. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Motor Vehicle</u>	<u>Total</u>
Cost			
at 1 July 1997	28004	3000	31004
Additions	11577	-	11577
Disposals	<u>(4574)</u>	<u>(3000)</u>	<u>(7574)</u>
At 30 June 1998	<u>35007</u>	<u>-</u>	<u>35007</u>
Depreciation			
at 1 July 1997	13952	750	14702
Charge for year	8092	2250	10342
Disposals	<u>(5967)</u>	<u>-</u>	<u>(5967)</u>
At 30 June 1998	<u>16077</u>	<u>3000</u>	<u>19077</u>
Net Book Values			
As at 30 June 1998	<u>15930</u>	<u>-</u>	<u>15930</u>
As At 30 June 1997	<u>14052</u>	<u>2250</u>	<u>16302</u>

6. Debtors

	<u>1998</u>	<u>1997</u>
Due within one year		
Trade debtors	<u>394140</u>	<u>325064</u>

CADASSIST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1998 CONT.....

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1998</u>	<u>1997</u>
	£	£
Trade creditors	142938	228717
Corporation tax	17106	23447
Other creditors	<u>90155</u>	<u>44811</u>
	<u>250199</u>	<u>296975</u>

Included within other creditors is an amount of £ relating to social security and other taxes.

8. SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
	£	£
Authorised Ordinary shares of £1 each	<u>115</u>	<u>115</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>115</u>	<u>115</u>

9. PENSION COMMITMENTS

The company operates a contributory pension scheme, Cadassist Pension Scheme, for the directors and senior employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date there were no unpaid contributions.

10. TRANSACTIONS WITH DIRECTORS

Two of the directors are partners in the business, Lydon Reece Partnership, to whom sales of £28888, were made in the year on normal commercial terms.

At the balance sheet date the amount outstanding was £nil.

There were purchases of £38361 on normal commercial terms. At the balance sheet date the amount outstanding was £3660 .

11. POST BALANCE SHEET EVENTS

There were no post balance sheet events which affect the accounts.

12. RELATED PARTIES

There were no related party transactions other than those disclosed in note 10.

CADASSIST LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1998

	1998 £	1997 £
TURNOVER	2333209	1739596
OTHER INCOME	-	1845
	<u>2333209</u>	<u>1741441</u>
COST OF SALES	<u>1596159</u>	<u>1231877</u>
GROSS PROFIT	737050	509564
EXPENSES		
Repairs and Renewals	15215	-
Motor and Travel	41450	43620
Postage and Carriage	8508	5994
Printing and Stationery	7968	6244
Pension Contributions and Levy	5410	8200
Subscriptions	2980	1304
Directors' Salaries	78925	47245
Other Salaries and NIC	352743	227877
Accountancy and Audit	2550	1663
Telephone and Fax	15784	15081
Car Leasing Expenses	26887	17161
Bank Charges	1665	1103
Exhibition Expenses	21677	10691
Marketing Expenses	3422	13940
Sundry Expenses	6400	7545
Advertising	4832	8036
Office Software	10084	18403
Training and Course and Expenses	10459	13703
Equipment Leasing and Hire	16642	186
Bad Debts	7567	(2)
Insurance	6801	8210
Legal Fees	771	1014
Office Overheads	3462	255
Depreciation:		
Owned Assets and Loss on Disposals	<u>10342</u>	<u>9880</u>
	<u>662544</u>	<u>467353</u>
NET PROFIT	<u>74506</u>	<u>42211</u>