

SOFTCAT PLC
(Formerly Wardswift Group Plc)
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 JULY 2000

Faulkner House
Victoria Street
St Albans
Herts AL1 3SE



RAYNER ESSEX
CHARTERED ACCOUNTANTS

SOFTCAT PLC

COMPANY INFORMATION

Directors	P D J Kelly W J Kenny
Secretary	P D J Kelly
Bankers	National Westminster Bank Plc PO Box 17 33 High Street High Wycombe Bucks HP11 2AJ
Solicitors	George & George Dial House 14 Crendon Street High Wycombe Bucks HP13 6LW
Registered Office	1 Twyford Place Lincoln's Inn Lincoln Road High Wycombe Bucks HP12 3RE
Auditors	Rayner Essex Chartered Accountants Faulkner House Victoria Street St Albans Herts AL1 3SE

SOFTCAT PLC

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SOFTCAT PLC

DIRECTORS REPORT

FOR THE YEAR ENDED 31 JULY 2000

The directors present their report together with financial statements for the year ended 31 July 2000.

Review of the business and future developments

The principal activities of the group remained those of recruitment consultancy and the sale of IT supplies to the corporate market. Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will continue for the foreseeable future.

Results and dividends

The profit for the year after taxation is stated on page 4. The directors do not recommend the payment of a dividend.

Future developments

On the 22nd September the Wardswift Group Plc passed a special resolution to change its name to Softcat Plc. This name represents the first stage in a group reorganisation which will demerge Mac Recruitment Ltd from the Wardswift Group and transfer the trade of Software Catalogue Plc to the renamed Softcat Plc. It is estimated that the reorganisation will be completed by April 2001.

Directors

The directors in office during and at the end of the year are listed below.

The interests of the directors and their families in the shares of the company at the beginning and end of the year were as follows:

	31 July 2000	31 July 1999
	Ordinary Shares	Ordinary Shares
P D J Kelly	50,000	50,000
W J Kenny	-	-

Political and charitable contributions

During the year the group made the following charitable contributions:

	£
Other Charitable Contributions	550

SOFTCAT PLC

REPORT OF THE DIRECTORS (CONTINUED)

Directors' responsibilities for the financial statements

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 and of the profit or loss of the group 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 reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

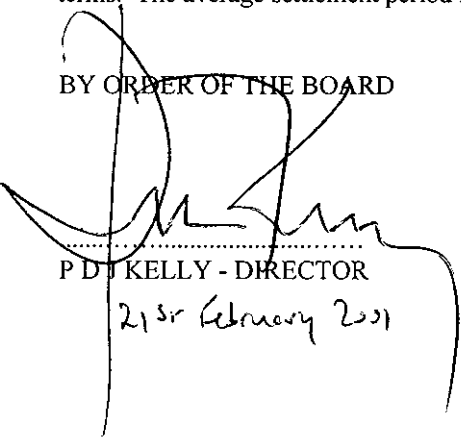
Auditor

In accordance with Section 385(1) of the Companies Act 1985, a resolution proposing the re-appointment of Rayner Essex, Chartered Accountants, as auditor to the company will be put to the Annual General Meeting.

Creditor Payment Policy

The group's policy with regard to payment of creditors is that approved invoices are settled within the suppliers' terms. The average settlement period for suppliers' invoices during the year under review was 30 days.

BY ORDER OF THE BOARD


P D KELLY - DIRECTOR

21st February 2001

REPORT OF THE AUDITOR TO THE MEMBERS OF

SOFTCAT PLC

We have audited the financial statements on pages 4 to 18 which have been prepared under the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditor

As described on page 2 the 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 of whether the accounting policies are appropriate to the 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 and the group at 31 July 2000 and the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Faulkner House
Victoria Street
St Albans
Herts AL1 3SE


RAYNER ESSEX
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

21 February 2001

SOFTCAT PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2000

	Note	2000 £	1999 £
Turnover	2	18,367,162	16,317,861
Cost of sales		(15,189,681)	(13,508,307)
Gross profit		3,177,481	2,809,554
Administrative expenses		(2,643,970)	(2,032,979)
Operating profit		533,511	776,575
Interest payable and similar charges	3	(68,097)	(41,904)
Interest receivable		-	-
Profit on ordinary activities before taxation	2	465,414	734,671
Tax on profit on ordinary activities	5	(105,137)	(240,949)
Profit on ordinary activities after taxation		360,277	493,722
Minority interest		(163,042)	(205,465)
Profit for the financial period	14	197,235	288,257

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Profit for the financial year	197,235	288,257
Movement in reserves due to increase in minority interest in subsidiary	-	(56,320)
Total recognised gains and losses relating to the year	197,235	231,937

CONTINUING ACTIVITIES

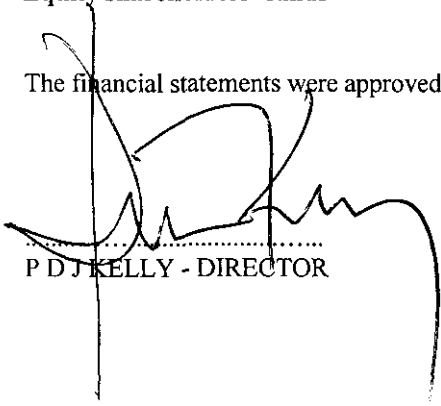
None of the group's activities were acquired or discontinued during the above two financial periods.

SOFTCAT PLC

CONSOLIDATED BALANCE SHEET AT 31 JULY 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	7	438,945	273,683
Investments	8	-	-
		<u>438,945</u>	<u>273,683</u>
Current assets			
Stocks	9	171,540	46,999
Debtors	10	5,778,766	4,477,381
Cash at bank and in hand		21,426	7,160
		<u>5,971,732</u>	<u>4,531,540</u>
Creditors: amounts falling due within one year	11	<u>(5,082,532)</u>	<u>(3,824,588)</u>
Net current assets/liabilities		<u>889,200</u>	<u>706,952</u>
Total assets less current liabilities		<u>1,328,145</u>	<u>980,635</u>
Creditors: amounts falling due after more than one year	12	(8,762)	(21,528)
Provisions for liabilities and charges			
Minority interests	13	<u>(556,729)</u>	<u>(393,688)</u>
Equity shareholders' funds		<u>£762,654</u>	<u>£565,419</u>
Capital and reserves			
Called up share capital	15	21,875	21,875
Capital reserve	15	3,500	3,500
Profit and loss account	15	<u>737,279</u>	<u>540,044</u>
Equity shareholders' funds	14	<u>£762,654</u>	<u>£565,419</u>

The financial statements were approved by the board of directors on 21st February 2001

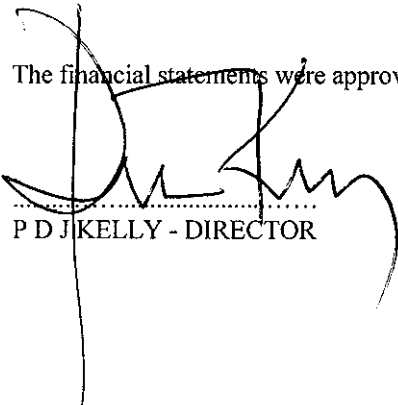

P D J KELLY - DIRECTOR

SOFTCAT PLC

COMPANY BALANCE SHEET AT 31 JULY 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	7	115,713	119,234
Investments	8	31,509	31,505
		<u>147,222</u>	<u>150,739</u>
Current assets			
Debtors	10	159,602	108,600
Cash at bank and in hand		189	4,000
		<u>159,791</u>	<u>112,600</u>
Creditors: amounts falling due within one year	11	<u>(155,457)</u>	<u>(106,889)</u>
Net current assets		<u>4,334</u>	<u>5,711</u>
Total assets less current liabilities		<u>151,556</u>	<u>156,450</u>
Creditors: amounts falling due after more than one year	12	<u>(8,762)</u>	<u>(21,528)</u>
Equity shareholders' funds		<u>£142,794</u>	<u>£134,922</u>
Capital and reserves			
Called up share capital	15	21,875	21,875
Profit and loss account	15	120,919	113,047
Equity shareholders' funds	14	<u>£142,794</u>	<u>£134,922</u>

The financial statements were approved by the Board of Directors on 21st February 2001


P D J KELLY - DIRECTOR

SOFTCAT PLC**CONSOLIDATED CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 JULY 2000**

	Note	2000 £	1999 £
Net cash (outflow)/inflow from operating activities	20	(844,834)	(486,356)
Returns on investments and servicing of finance	21	(68,097)	(41,904)
Taxation		(38,839)	(100,961)
Capital expenditure and financial investment	21	(250,558)	(80,965)
Cash (outflow)/inflow before use of liquid resources and financing		(1,202,328)	(710,186)
Financing	21	(21,788)	(19,036)
Decrease in cash		<u>£(1,224,116)</u>	<u>£(729,222)</u>
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET DEBT			
Decrease in cash in the period		(1,224,116)	(729,222)
Cash flow from decrease/(increase) in debt and lease financing		(164,476)	658,628
Change in net debt resulting from cash flows		(1,388,592)	(70,594)
New finance leases		-	(31,545)
Finance leases redeemed		-	8,000
Movement in net debt in period		(1,388,592)	(94,139)
Net debt at 1 August 1999		(1,033,675)	(939,536)
Net debt at 31 July 2000		<u>£(2,422,267)</u>	<u>£(1,033,675)</u>

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

1. Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

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

Basis of Consolidation

The group financial statements consolidate those of the company and its trading subsidiary undertaking (see note 8) drawn up to 31 July 2000. The results of the subsidiary have been included using the acquisition method of accounting.

Turnover

Turnover is the total amount receivable by the group in the ordinary course of business with outside customers for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by annual instalments over their expected useful lives.

The rates generally applicable are:

Office equipment	15% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

Development expenditure

Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and are amortised in line with the expected sales arising from the projects. All other development costs are written off in the year of expenditure.

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

2. Turnover and Profit on Ordinary Activities Before Taxation

The turnover, profit/loss before taxation and net assets are attributable to the following activities which are carried out in a single geographical market.

	Turnover		Profit before taxation		Net assets	
	2000 £	1999 £	2000 £	1999 £	2000 £	1999 £
Recruitment consultancy	552,415	486,871	26,680	26,162	167,426	134,850
Computer software sales	17,814,747	15,830,990	438,734	708,509	595,228	430,569
	<u>£18,367,162</u>	<u>£16,317,861</u>	<u>£465,414</u>	<u>£734,671</u>	<u>£762,654</u>	<u>£565,419</u>

The profit on ordinary activities is stated after:

	2000 £	1999 £
Auditor's remuneration		
- audit services	15,579	7,225
- non audit services	2,300	2,800
Depreciation of tangible fixed assets		
- owned	73,579	45,809
- held under finance leases	10,282	19,121
Loss on disposal of tangible fixed assets	1,436	3,003
	<u> </u>	<u> </u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
On bank loans and overdrafts		
- repayable within 5 years, otherwise than by instalments	8,602	2,710
Other loans		
- repayable within 5 years other than by instalments	55,612	35,175
Hire purchase interest	3,459	4,019
Interest on late payment of tax	424	-
	<u>£68,097</u>	<u>£41,904</u>

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

Leased assets

Where assets are financed by leasing agreements which give risks and rewards approximate to ownership ("finance leases") they are treated as if they had been purchased outright on credit. They are therefore initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset. Leasing payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability and an interest charge.

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

Contributions to pension funds

Defined contribution scheme.

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences except where, in the opinion of the directors, a liability is unlikely to arise. Provision is also made for long term timing differences where those differences are expected to reverse in the foreseeable future.

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

4. DIRECTORS AND EMPLOYEES

The average number of employees of the group during the year and their aggregate emoluments are shown below:

	2000 £	1999 £
Wages and salaries	1,592,062	1,179,480
Social security	156,345	112,494
Pension costs	26,828	21,377
	<u>£1,775,235</u>	<u>£1,313,351</u>

The average monthly number of employees of the group during the period was 67 (1999: 52)

Staff costs include remuneration in respect of directors, as follows:

	2000 £	1999 £
Aggregate emoluments	269,537	213,005
Pension contributions	10,200	8,466
	<u>£279,737</u>	<u>£221,471</u>

The number of directors to whom retirement benefits are accruing under pension schemes is as follows:

	No:	No:
Defined contribution scheme	4	4

Highest paid director

	2000 £	1999 £
Aggregate emoluments	128,621	-
Contributions to a money purchase pension scheme	3,000	-
	<u>131,621</u>	<u>-</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit for the year and represents:

	2000 £	1999 £
Corporation tax @ 20%/30% (1999: 21%/30%)	105,137	241,078
Over-provided in prior years	-	(129)
	<u>£105,137</u>	<u>£240,949</u>

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

6. PROFIT FOR THE FINANCIAL YEAR

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a profit of £7,872 (1999: £7,879) which is dealt with in the financial statements of the company.

7. TANGIBLE FIXED ASSETS

The group	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost				
At 1 August 1999	157,733	267,672	108,440	533,845
Additions at cost	83,572	173,886	-	257,458
Disposals	-	-	(16,895)	(16,895)
At 31 July 2000	241,305	441,558	91,545	774,408
Depreciation				
At 1 August 1999	61,609	156,686	41,866	260,161
Provided in the year	15,653	58,226	9,982	83,861
Disposals	-	-	(8,559)	(8,559)
At 31 July 2000	77,262	214,912	43,289	335,463
Net book value				
At 31 July 2000	£164,043	£226,646	£48,256	£438,945
At 31 July 1999	£96,123	£110,986	£66,574	£273,683
The company				
	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost				
At 1 August 1999	86,711	58,868	108,440	254,019
Additions at cost	18,567	2,989	-	21,556
Disposals	-	-	(16,895)	(16,895)
At 31 July 2000	105,278	61,857	91,545	258,680
Depreciation				
At 1 August 1999	46,072	46,847	41,866	134,785
Provided in the year	5,723	1,036	9,982	16,741
Disposals	-	-	(8,559)	(8,559)
At 31 July 2000	51,795	47,883	43,289	142,967
Net book value				
At 31 July 2000	53,483	13,974	48,256	115,713
At 31 July 1999	40,639	12,021	66,574	119,234

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR 31 JULY 2000

7. TANGIBLE FIXED ASSETS (CONTINUED)

Included in the figures stated above are assets held under finance leases as follows:

The group

	Motor vehicles
Net book value at 31 July 2000	£46,055
Net book value at 31 July 1999	£64,673

The company

	Motor vehicles
Net book value at 31 July 2000	£46,055
Net book value at 31 July 1999	£64,673

8. FIXED ASSET INVESTMENTS

	Shares in subsidiaries £	Total £
Cost at 1 August 1999	31,505	31,505
Additions	4	4
Cost at 31 July 2000	31,509	31,509

At 31 July 2000 the company held more than 10% of the equity of the following companies:

Subsidiary	Country of registration	Class of share capital held	Proportion held	Nature of business
Software Catalogue Plc	England & Wales	Ordinary	52%	Computer Software
Mac Recruitment Ltd	England & Wales	Ordinary	100%	Computer Recruiting
SDS Plc	England & Wales	Ordinary	100%	Computer Marketing
Software Licensing Ltd	England & Wales	Ordinary	100%	Computer Licensing

The results of Software Catalogue have been consolidated by virtue of the fact that SOFTCAT PLC holds the majority of the voting share capital.

The results of Mac Recruitment have been consolidated by virtue of the fact that SOFTCAT PLC owns 100% of the issued share capital.

Satellite Digital Systems Plc and Software Licensing Ltd remained dormant throughout the year. Their aggregate capital and reserves are negligible, and their accounts have therefore been excluded from the consolidated figures on the grounds of immateriality (S.229(2) Companies Act 1985)

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

9. STOCKS

	The group	
	2000	1999
Goods for resale	£171,540	£46,999

10. DEBTORS

	The group		The company	
	2000	1999	2000	1999
	£	£	£	£
Amounts owed by group undertakings	-	-	25,040	-
Trade debtors (a)	5,460,291	4,194,947	35,765	50,211
Other debtors	84,109	4,361	893	-
Prepayments and accrued income	190,412	238,835	63,552	28,751
Directors' loan accounts (b)	43,954	39,238	34,354	29,638
	<u>£5,778,766</u>	<u>4,477,381</u>	<u>£159,604</u>	<u>£108,600</u>

(a) Trade debtors include factored debts of £3,797,153 (1999: £2,765,654).

(b) At the balance sheet date £34,354 (1999: £29,638) was owed to the company by P D J Kelly. This loan was in contravention of Section 330 of the Companies Act 1985 and will be repaid in the year to 31 July 2001 as part of the corporate restructuring.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The company	
	2000	1999	2000	1999
	£	£	£	£
Bank overdrafts	2,006,928	768,543	26,024	12,461
Trade creditors	1,927,723	1,806,764	56,115	18,056
Amounts owed to group undertakings	-	-	1,122	20,703
Corporate taxation	307,378	241,079	3,789	3,504
Social security and other taxes	92,165	167,109	29,252	14,779
Accruals and deferred income	320,333	590,329	26,390	15,598
Other creditors	415,240	228,976	-	-
Amounts due under finance leases	12,765	21,788	12,765	21,788
	<u>£5,082,532</u>	<u>£3,824,588</u>	<u>£155,457</u>	<u>£106,889</u>

The other creditors are secured by cross company guarantees, the book debts of Software Catalogue Plc and a personal guarantee by Mr P D J Kelly, Director.

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The group		The company	
	2000	1999	2000	1999
Amount due under finance leases	<u>£8,762</u>	<u>£21,528</u>	<u>£8,762</u>	<u>£21,528</u>
Borrowings are repayable as follows:	2000	1999	2000	1999
	£	£	£	£
Between one and two years	-	12,765	-	12,765
Between two and five years	-	8,763	-	8,763
	<u>£ -</u>	<u>£21,528</u>	<u>£ -</u>	<u>£21,528</u>

13. MINORITY INTERESTS

	The group	
	2000	1999
Equity minority interests	<u>£556,729</u>	<u>£393,688</u>

The minority interest represents 48.3% (1999: 48.3%) of the share capital of Software Catalogue Plc.

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

The group	2000 £	1999 £
At 1 August 1999	565,419	333,482
Profit for the financial year	197,235	288,257
Movement in reserves due to increase in minority interest in subsidiary	-	(56,320)
At 31 July 2000	<u>£762,654</u>	<u>£565,419</u>
The company		
At 1 August 1999	134,922	127,043
Profit for the financial year	7,872	7,879
At 31 July 2000	<u>£142,794</u>	<u>£134,922</u>

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

15. STATEMENT OF MOVEMENTS IN RESERVES

The group	Share capital £	Capital reserve £	Profit and loss account £	Total £
At 1 August 1999	21,875	3,500	540,044	565,419
Profit for the financial year	-	-	197,235	198,262
	<u>21,875</u>	<u>3,500</u>	<u>737,279</u>	<u>763,681</u>
At 31 July 2000	<u>£21,875</u>	<u>£3,500</u>	<u>£737,279</u>	<u>£763,681</u>

The company	Share capital £	Profit and loss account £	Total £
At 1 August 1999	21,875	113,047	134,922
Profit for the financial year	-	7,872	7,872
	<u>21,875</u>	<u>120,919</u>	<u>142,794</u>
At 31 July 2000	<u>£21,875</u>	<u>£120,919</u>	<u>£142,794</u>

The share capital consists of 50,000 authorised, ordinary shares of £1 each, of which 12,500 are allotted, called up and fully paid and 37,500 are allotted, called up and quarter paid.

16. LEASING COMMITMENTS

Operating lease payments amounting to £65,628 (1999: £65,628) are due within one year. The leases to which these amounts relate expire as follows:

	2000 Land and buildings	1999 Land and buildings
In less than one year	-	65,628
In two to five years	121,540	-
	<u>£121,540</u>	<u>£65,628</u>

17. PENSIONS

The company operates a defined contribution pension scheme for the benefit of the senior employees and directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £26,828 (1999: £21,377)

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

18. DEFERRED TAXATION

No provision has been made for deferred taxation as, in the opinion of the directors, a liability is unlikely to arise.

19. DISCLOSURE OF CONTROL

The ultimate controlling party of the group is Mr P D J Kelly, Director.

As disclosed in note 11, Other Creditors of £415,240 (1999: £228,976) have been partly secured by a personal guarantee from Mr P D J Kelly.

20. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW

	2000 £	1999 £
Operating profit	533,511	776,575
Depreciation charges	83,861	64,930
Decrease/(increase) in stock	(124,542)	16,943
Increase in debtors	(1,301,384)	(2,149,782)
Increase in creditors	(37,716)	804,728
Loss/(Profit) on disposal	1,436	250
	<u>£(844,834)</u>	<u>£(486,356)</u>

21. ANALYSIS OF CASH FLOWS

	2000 £	1999 £
Returns on investments and servicing of finance:		
Interest paid	(9,026)	(2,710)
Interest element of finance lease rental payments	(3,459)	(4,019)
Interest element of factor charges	(55,612)	(35,175)
	<u>£(68,097)</u>	<u>£(41,904)</u>
Capital expenditure and financial investment:		
Purchase of tangible fixed assets	(257,458)	(85,715)
Sale of tangible fixed assets	6,900	4,750
	<u>£(250,558)</u>	<u>£(80,965)</u>
Financing:		
Capital element of finance lease repayments	<u>£(21,788)</u>	<u>£(19,036)</u>

SOFTCAT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2000

22. ANALYSIS OF NET DEBT

	At 31 July 1999 £	Cash Flow £	Other non- cash changes £	At 31 July 2000 £
Cash in hand	7,160	14,268	-	21,428
Overdrafts	(768,543)	(1,238,385)	-	(2,006,928)
	<u>(761,383)</u>	<u>(1,224,117)</u>	<u>-</u>	<u>(1,985,500)</u>
Debt due within 1 year	(228,976)	(186,264)	-	(415,240)
Finance leases	(43,316)	21,788	1	(21,527)
	<u>£(1,033,675)</u>	<u>£(1,388,593)</u>	<u>£ 1</u>	<u>£(2,422,267)</u>

23. POST BALANCE SHEET EVENTS

On the 22nd September 2000 the Wardswift Group Plc passed a special resolution to change its name to Softcat Plc. This name change represents the first stage in a group reorganisation which will demerge Mac Recruitment Ltd from the Wardswift Group of companies, and transfer the trade of Software Catalogue Plc to the renamed Softcat Plc. It is estimated that the reorganisation will be completed by April 2001.

24. RELATED PARTIES

Mr R Sieger, a director of Software Catalogue Plc, provided training services for £9,000.