



**TECHNOS INTERNATIONAL
(OXFORD) LIMITED (FORMERLY
OXFORD EXAMINATION RESEARCH
CENTRE LIMITED)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 1996

**TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION
RESEARCH CENTRE LIMITED)**

FINANCIAL STATEMENTS

For the year ended 31 December 1996

Company registration number: 2431004

Registered office: Wolsey Hall
66 Banbury Road
Oxford
OX2 6PR

Directors: Mr K Tanaka
Mr T Hashimoto
Dr G Simpson

Bankers: National Westminster Bank plc
32 Cornmarket Street
Oxford
OX1 3HQ

Solicitors: Mallam, Lewis & Taylor
21 Beaumont Street
Oxford
OX1 2NH

Auditors: Grant Thornton
Registered auditors
Chartered accountants
1 Westminster Way
Oxford
OX2 0PZ

**TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION
RESEARCH CENTRE LIMITED)**

FINANCIAL STATEMENTS

For the year ended 31 December 1996

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TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 December 1996.

Principal activities

The company is principally engaged in the business of property management and English language examination development.

Directors

The present membership of the Board is set out below. All directors served throughout the year.

The interests of the directors and their families in the shares of the company as at 31 December 1996 and 1 January 1996 were as follows:

	31 December 1996	Ordinary shares 1 January 1996
Mr K Tanaka	1	1
Mr T Hashimoto	-	-
Dr G Simpson	-	-

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 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 reasonable 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION
RESEARCH CENTRE LIMITED)**

REPORT OF THE DIRECTORS

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

Small company exemption

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

ON BEHALF OF THE BOARD

G Simpson
Director

22 October 1997



REPORT OF THE AUDITORS TO THE MEMBERS OF

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

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

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the 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.

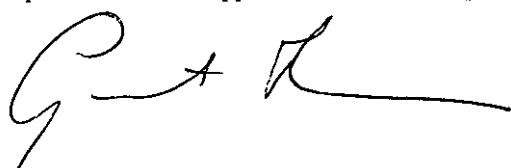
Basis of opinion

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 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 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

OXFORD
27 October 1997

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention.

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

TURNOVER

Turnover is the total amount receivable by the company for goods supplied and 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 equal annual instalments over their expected useful lives. The rates applicable are:

Property improvements	10%
Office equipment	10%

DEFERRED TAXATION

Deferred tax is provided 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 advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

EXAMINATION RESEARCH AND DEVELOPMENT

Examination research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 1996

	Note	1996 £	1995 £
Turnover	1	152,485	141,675
Administrative expenses		(136,001)	(123,123)
Other operating income		-	118
Operating profit		16,484	18,670
Other interest receivable and similar income		852	1
Interest payable and similar charges		(105)	-
Profit on ordinary activities before taxation	1	17,231	18,671
Tax on profit on ordinary activities	2	(6,400)	(6,200)
Profit transferred to reserves	7	10,831	12,471

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)


BALANCE SHEET AT 31 DECEMBER 1996

	Note	1996 £	1996 £	1995 £	1995 £
Fixed assets					
Tangible assets	3		23,982		4,931
Current assets					
Debtors	4	61,172		48,134	
Cash at bank and in hand		66,308		36,127	
		127,480		84,261	
Creditors: amounts falling due within one year	5	(124,773)		(73,334)	
Net current assets			2,707		10,927
Total assets less current liabilities			26,689		15,858
Capital and reserves					
Called up share capital	6		63,247		63,247
Profit and loss account	7		(36,558)		(47,389)
Shareholders' funds	8		26,689		15,858

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on

Director

22/10/97


The accompanying accounting policies and notes form an integral part of these financial statements.

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1996

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities is stated after:

	1996 £	1995 £
Auditors' remuneration	600	600
Depreciation	3,177	944

Management remuneration during the year was £36,000 (1995 £36,000)

2 TAX ON PROFIT ON ORDINARY ACTIVITIES

UK Corporation tax has been provided at 25% (1995: 25%)

3 TANGIBLE FIXED ASSETS

	Property improve- ments £	Office equipment £	Total £
Cost	-	9,428	9,428
At 1 January 1996	22,228	-	22,228
Additions	22,228	9,428	31,656
At 31 December 1996			
Depreciation	-	4,497	4,497
At 1 January 1996	2,229	948	3,177
Charged for the year	2,229	5,445	7,674
At 31 December 1996			
Net book amount at 31 December 1996	19,999	3,983	23,982
Net book amount at 31 December 1995	-	4,931	4,931

4 DEBTORS

	1996 £	1995 £
Trade debtors	54,566	37,505
Other debtors	6,606	10,629
	61,172	48,134

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1996

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Trade creditors	1,775	347
Corporation tax	7,600	6,200
Social security and other taxes	8,019	6,987
Other creditors	107,379	59,800
	<u>124,773</u>	<u>73,334</u>

6 SHARE CAPITAL

	1996 £	1995 £
Authorised Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>63,247</u>	<u>63,247</u>

7 PROFIT AND LOSS ACCOUNT

	£
At 1 January 1996	(47,389)
Retained profit for the year	<u>10,831</u>
At 31 December 1996	<u>(36,558)</u>

8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year	<u>10,831</u>	<u>12,471</u>
Net increase in shareholders' funds	10,831	12,471
Shareholders' funds at 1 January 1996	<u>15,858</u>	<u>3,387</u>
Shareholders' funds at 31 December 1996	<u>26,689</u>	<u>15,858</u>

TECHNOS INTERNATIONAL (OXFORD) LIMITED (FORMERLY OXFORD EXAMINATION RESEARCH CENTRE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 1996

9 CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 1996 or 31 December 1995.

10 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 1996 or 31 December 1995.

11 ULTIMATE PARENT UNDERTAKING

The directors consider that the ultimate parent undertaking of this company is Tanaka Ikuekai Educational Trust which is incorporated in Japan.

Included within other creditors in note 5 is an amount of £57,458 due to Tanaka Ikuekai Educational Trust.

12 POST BALANCE SHEET EVENTS

On 11 February 1997 the company changed its name from Oxford Examination Research Centre Limited to Technos International (Oxford) Limited.