

LIVELY DATA LIMITED

ACCOUNTS FOR THE YEAR ENDED
31 AUGUST 1997

Company Registration: 2709019



REPORT OF THE DIRECTORS

The directors present their report on the accounts of the company for the year ended 31 August 1997.

PRINCIPAL ACTIVITY

Under normal circumstances the principal activity of the company is the provision of telecommunications services and the sale of computer hardware and software. However as indicated below, the company has not traded during the year under review.

DIRECTORS RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss, total recognised gains or losses and cash flows of the company for the period. The directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made in the preparation of the financial statements for the year ended 31 August 1997. The directors also confirm their responsibility to 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 adequate accounting records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

REVIEW OF BUSINESS

A summary of the results for the year is given on page 2 of the accounts.

The company has not traded during the year due to the directors pursuing other financial interests.

The directors are satisfied with the results of the company for the year and its financial position at 31 August 1997.

DIVIDENDS

No dividends have been paid by the company during the year.

FIXED ASSETS

Movements in fixed assets are shown in the notes to the accounts.

DIRECTORS

The directors in office during the year and their beneficial interests in the ordinary share capital of the company were as follows:

	31 August 1997	31 August 1996
S. Hutchinson	1	1
M. Hutchinson	1	1

By order of the Board



M. Hutchinson
Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 1997

		1997	1996
	Notes	£	£
TURNOVER - continuing operations	2	0	26607
Cost of sales		0	2021
GROSS PROFIT		<u>0</u>	<u>24586</u>
Administrative expenses		77	25868
OPERATING PROFIT (-LOSS)	3	<u>-77</u>	<u>-1282</u>
Interest payable	5	0	352
Interest receivable	6	0	3
PROFIT (-LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>-77</u>	<u>-1631</u>
TAXATION	7	0	-356
PROFIT (-LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>-77</u>	<u>-1275</u>
DIVIDEND		0	0
RETAINED PROFIT (-LOSS) FOR THE YEAR	13	<u>-77</u> =====	<u>-1275</u> =====

There are no recognised gains and losses in 1997 other than the profit and loss for the year.

The notes on pages 4 to 7 form part of these accounts.

BALANCE SHEET AT 31 AUGUST 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	8	0	0
CURRENT ASSETS			
Stocks	9	0	0
Trade debtors		0	0
Other debtors	14	2145	2163
Cash at bank and in hand		0	0
		<u>2145</u>	<u>2163</u>
		=====	=====
CREDITORS - amounts falling due Within one year:	10	359	300
		=====	=====
NET CURRENT ASSETS		1786	1863
		<u>1786</u>	<u>1863</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1786	1863
CREDITORS - amounts falling due after more than one year:	11	0	0
		<u>£ 1786</u>	<u>£ 1863</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Profit and loss account	13	1784	1861
		<u>£ 1786</u>	<u>£ 1863</u>
		=====	=====

The notes on pages 4 to 7 form part of these accounts.

In approving these financial statements as directors of the company we confirm:

(a) that for the year in question the company was entitled to the exemption conferred by section 249A(1) of the Companies Act 1985;
 (b) that no notice has been deposited at the registered office of the company pursuant to section 249B(2) requesting that an audit be conducted for the year ended 31 August 1997, and

(c) that we acknowledge our responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with section 221, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit and loss for the year then ended and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

The accounts were approved by the board of directors on 19th June 98

Signed:

A. Neale

S. D. Smith

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 1997

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Turnover

Turnover represents the net invoiced value of telecommunication services and the sale of computer software and hardware, excluding value added tax.

(c) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor vehicles	-	25% reducing balance basis
Office equipment	-	25% reducing balance basis

(d) Deferred taxation

Provision is made at current rates under the liability method for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is a reasonable probability that the liability will not arise in the foreseeable future.

(e) Lease and hire purchase contracts

(i) Assets held under finance leases or hire purchase contracts are included under fixed assets at the fair value of the asset at commencement of the contract. The assets are depreciated over their estimated useful lives. The capital element of future payments is treated as a liability and the interest element is charged to profit and loss account.

(ii) The payments made under operating leases (including deposits, where appropriate) are aggregated and charged against profits over the hire period at a constant rate.

(f) Grants

(i) Capital grants are credited to revenue over the useful life of the asset by treating the amount of grant received as a deferred credit, a portion of which is transferred to revenue annually, at a rate equivalent to the rate of depreciation charged in respect of the relevant asset.

(ii) Revenue based grants are credited to revenue in the period in which they are received.

(g) Stocks

Stocks have been valued by the directors at the lower of cost and net realisable value.

2. TURNOVER

The turnover and profit are attributable to the principal activity of the company.

All of the turnover of £0, (1996 £26607), was applicable to the United Kingdom.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 1997 (CONT'D...)

3. OPERATING PROFIT

The operating profit is stated after charging:

	1997	1996
	£	£
Depreciation	0	0
Loss on disposal of fixed assets	0	2888
Directors remuneration	0	2449

4. EMPLOYEES

During the period under review the average number of employees, including directors, was 0, (1996 2).

An analysis of the staff costs (including directors remuneration) is as follows:

	1997	1996
	£	£
Salaries	0	13341
Social security costs	0	1484
	<u>0</u>	<u>14825</u>
	=====	=====

5. INTEREST PAYABLE

On bank overdraft repayable within 5 years not by instalments

Finance charges of capitalised finance lease

1997	1996
£	£
0	53
0	299
<u>0</u>	<u>352</u>
===	===

6. INTEREST RECEIVABLE

Interest on bank deposit account

1997	1996
£	£
0	3
==	==

7. TAXATION

Corporation tax @ 25% payable (-repayable) on the company's profits (losses) for the year

Transfer to (-from) deferred taxation re capital allowance timing differences

1997	1996
£	£
0	-96
0	-260
<u>0</u>	<u>-356</u>
=====	=====

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 1997 (CONT'D...)

8. TANGIBLE FIXED ASSETS

(a) Movements in fixed assets were:

	Motor Vehicles £	Office Equipment £	Total £
COST			
At 1 September 1996	0	0	0
Additions	0	0	0
Disposals	0	0	0
At 31 August 1997	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====
DEPRECIATION			
At 1 September 1996	0	0	0
Charge for the year	0	0	0
Disposals	0	0	0
At 31 August 1997	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====
Net book value at 31 August 1997	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====
Net book value at 31 August 1996	<u>0</u>	<u>0</u>	<u>0</u>
	=====	=====	=====

(b) Motor vehicles held under finance leases are included in the assets as follows:

	1997 £	1996 £
Cost	0	0
	=====	=====
Depreciation charged in year	0	0
	=====	=====
Net book value	0	0
	=====	=====

9. STOCKS

An analysis of the stocks on hand is:

	1997 £	1996 £
Materials	0	0
	=====	=====

10. CREDITORS

Amounts falling due within one year comprise:

	1997 £	1996 £
Bank overdraft	0	0
Trade creditors	359	300
Accruals and other creditors	0	0
Hire purchase and finance leases	0	0
Social security and other taxes	0	0
	<u>359</u>	<u>300</u>
	=====	=====

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 1997 (CONT'D...)

11. CREDITORS

Amounts falling due after more than one year
comprise:

	1997	1996
	£	£
Directors loan	0	0
Hire purchase and finance leases	0	0
Deferred taxation	0	0
	<u>0</u>	<u>0</u>
	===	=====

12. SHARE CAPITAL

(i) Authorised:

	1997	1996
1000 ordinary shares of £1 each	£1000	£1000
	=====	=====

Allotted, issued and fully paid:

2 ordinary shares of £1 each	£2	£2
	==	==

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

Profit and loss account	1997	1996
	£	£
Balance at 1 September 1996	1861	3136
Net retention for the year	-77	-1275
	<u>1784</u>	<u>1861</u>
	=====	=====

14. DIRECTORS LOAN ACCOUNT

Included in other debtors is £1317 which relates to the overdrawn director's loan account of S. Hutchinson. Details of the account are as follows:

	Adverse balance 01.09.96	Maximum adverse balance	Adverse balance 31.08.97
S Hutchinson	£1335	£1335	£1317
	===	=====	=====

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at 31 August 1997.