

## NETTEK LIMITED

DIRECTOR'S REPORT : YEAR ENDED SEPTEMBER 30 1997

The director presents his report and the financial statements for the year ended September 30 1997.

**Principal activity and review of business**

The company's principal activity continues to be that of computer consultants.

The results for the year are set out on page 2; the company did not provide any services during the year under review, but has provided services in the current year.

The director considers the state of the company's affairs to be satisfactory, and confirms that in the event of the company ceasing to trade he will be personally liable for any amounts due by the company.

**Directors and shareholdings**

The current director, who held office throughout the year, is Mr S E Kennedy.

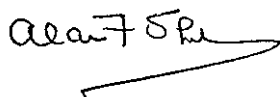
The shareholdings throughout the year were:

Mr S E Kennedy 10 shares

This report was approved on March 2 1998, and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the director.

A. F WHITE  
Secretary

**ACCOUNTANT'S REPORT ON THE UNAUDITED ACCOUNTS TO THE DIRECTOR OF NETTEK LIMITED**

As described in the balance sheet you are responsible for the preparation of the accounts for the year ended September 30 1997 set out on pages 2 to 6, and you consider that the company is exempt from an audit.

To assist you to fulfil your statutory responsibilities and in accordance with your instructions, I have compiled these unaudited accounts from the accounting records of Nettek Limited and from information and explanations supplied to me.

JOHN ULLMAN FCA  
Chartered Accountant

KENLEY, March 2 1998



NETTEK LIMITED

PROFIT & LOSS ACCOUNT : YEAR ENDED SEPTEMBER 30 1 9 9 7

	<u>Notes</u>		<u>1 9 9 6</u>
		£	£
Turnover	1.2, 2	-	200
Operating expenses	below	2,695	5,025
		<hr/>	<hr/>
Operating loss		2,695	4,825
Interest received		-	79
Corporation tax refund supplement		5	-
		<hr/>	<hr/>
Loss on ordinary activities, before taxation	3	2,690	4,746
Tax recovered	4	-	1,186
		<hr/>	<hr/>
Retained loss for the year		£ 2,690	£ 3,560
		<hr/>	<hr/>

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than those included in the profit & loss account.

The loss on ordinary activities before taxation and the retained loss have been calculated on the historical cost basis.

The notes on pages 4 to 6 form part of these financial statements.

Operating expenses

Telephone	-	353
Computer software and subscriptions to on-line service providers	-	693
General trade expenses	15	38
Bank charges	158	224
Accountancy fees	335	800
Depreciation of fixed assets	2,187	2,917
	<hr/>	<hr/>
	£ 2,695	£ 5,025
	<hr/>	<hr/>

NETTEK LIMITED

B A L A N C E S H E E T

S E P T E M B E R 30 1 9 9 7

	<u>Notes</u>	£	£	<u>1 9 9 6</u>	£	£
Tangible fixed assets	5		6,563			8,750
Current assets						
Debtors	6	-			1,483	
Cash at bank			1,313		-	
			<u>1,313</u>		<u>1,483</u>	
Creditors : Amounts falling due within one year	7	10,141			9,808	
			<u>8,828</u>		<u>8,325</u>	
Net current liabilities			8,828			8,325
Net liabilities			<u>£ 2,265</u>	Net assets	£	<u>425</u>
Capital and reserves						
Called up share capital	8		10			10
Profit & Loss Account - Deficit	9		2,275	Surplus		415
			<u>£ 2,265</u>	Surplus	£	<u>425</u>

Approved by the director on March 2 1998

The director is satisfied that the company is entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member has requested an audit pursuant to subsection (2) of section 249B in relation to the Accounts for the financial year.

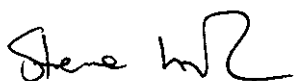
The director acknowledges his responsibility for

- (i) ensuring the company keeps accounting records which comply with section 221, and
- (ii) preparing the accounts 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act in relation to accounts, so far as applicable to the company.

The director has relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985.

S E KENNEDY

Director



The notes on pages 4 to 6 form part of these financial statements.

NETTEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

:

YEAR ENDED SEPTEMBER 30 1997

1. Accounting Policies:

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at a rate calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Equipment 25% reducing balance method

2. Turnover

The company did not export any goods or provide services outside the United Kingdom (1996: Nil).

3. Loss on ordinary activities, before taxation

	<u>1997</u> <u>Continuing</u> <u>Activities</u>	<u>1996</u> <u>Continuing</u> <u>Activities</u>
	£	£
The loss on ordinary activities, before taxation, is stated after charging:		
Depreciation of tangible fixed assets owned by the company	£ 2,187	£ 2,917

4. Taxation

U K current year taxation

Recovered	£ -	£ 1,186
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NETTEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

:

YEAR ENDED SEPTEMBER 30 1997

1997 1996

5. Tangible fixed assets

Equipment  
£ £

Cost

At beginning of year 15,066 13,267

Additions - 1,799

At end of year £15,066 £15,066

Depreciation

At beginning of year 6,316 3,399

Charge for the year 2,187 2,917

At end of year £ 8,503 £ 6,316

Net book value

At beginning of year £ 8,750 £ 9,868

At end of year £ 6,563 £ 8,750

6. Debtors : Due within one year

Trade debtors - 200

Prepayments and accrued income - 1,283

£ - £ 1,483

7. Creditors: Amounts falling due within one year

Bank overdraft - 57

Trade creditors 15 -

Others 9,876 9,331

Accruals 250 420

£10,141 £ 9,808

NETTEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

:

YEAR ENDED SEPTEMBER 30 1997

	<u>1997</u>	<u>1996</u>
	£	£
8. Called up share capital		
Authorised		
Ordinary shares of £1 each	£1,000	£1,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	£ 10	£ 10
9. Profit & loss account		
Balance at beginning of year	415	3,975
Loss retained for the year	2,690	3,560
Deficit at end of year	£2,275	£ 415
10. Reconciliation of movement in shareholder's funds		
Loss for the year	2,690	3,560
Shareholder's funds at beginning of year	425	3,985
Shareholder's funds at end of year - Deficit	£2,265	Surplus £ 425

11. Contingent liabilities

There were no contingent liabilities at September 30 1997.

12. Capital commitments

At the year end the company had no capital commitments either

Contracted for but not provided in these accounts

or

Authorised by the director but not contracted for.