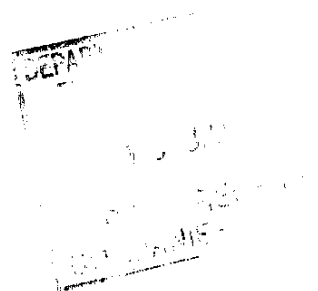
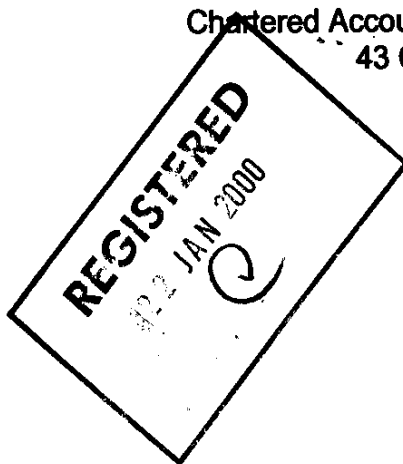


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RETAIL SYSTEMS TECHNOLOGY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST MARCH 1999

HEANEY & COMPANY

Chartered Accountants & Registered Auditors
43 Clarendon Street
Derry



RETAIL SYSTEMS TECHNOLOGY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1999

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RETAIL SYSTEMS TECHNOLOGY LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES (NORTHERN IRELAND) ORDER 1986

We have examined the abbreviated accounts on pages 3 to 6, together with the financial statements of the company prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the year ended 31st March 1999.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled under Articles 254 and 255 of the Companies (Northern Ireland) Order 1986 to the exemptions conferred by Section A of Part I of Schedule 8 to that Order, in respect of the year ended 31st March 1999, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On19... we reported, as auditors of the company, to the shareholders on the financial statements prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the year ended 31st March 1999, and the full text of our audit report is reproduced below:

"We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, 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.

RETAIL SYSTEMS TECHNOLOGY LIMITED

AUDITORS' REPORT TO THE COMPANY (CONTINUED)

PURSUANT TO PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES (NORTHERN IRELAND) ORDER 1986

FULL TEXT OF AUDIT REPORT (CONTINUED)

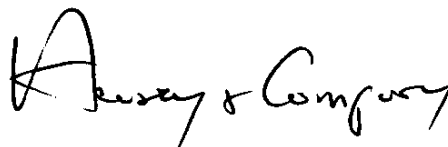
BASIS OF OPINION

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 company's state of affairs as at 31st March 1999 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986."



43 Clarendon Street
Derry

HEANEY & COMPANY
Chartered Accountants
& Registered Auditors

John Doe 19 89

RETAIL SYSTEMS TECHNOLOGY LIMITED

ABBREVIATED BALANCE SHEET

31ST MARCH 1999

	Note	1999		1998 <i>restated</i>	
		£	£	£	£
FIXED ASSETS	2				
Tangible assets			316,519		318,233
Investments			176,750		176,750
			<u>493,269</u>		<u>494,983</u>
CURRENT ASSETS					
Stocks		238,325		278,366	
Debtors	3	434,899		309,459	
Cash at bank and in hand		271,272		73,371	
		<u>944,496</u>		<u>661,196</u>	
CREDITORS: Amounts falling due within one year	4	<u>(619,012)</u>		<u>(452,232)</u>	
NET CURRENT ASSETS			325,484		208,964
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>818,753</u>		<u>703,947</u>
GOVERNMENT GRANTS	5		<u>(20,665)</u>		<u>(21,141)</u>
			<u>798,088</u>		<u>682,806</u>
CAPITAL AND RESERVES					
Called-up equity share capital	6		2		2
Profit and loss account			798,086		682,804
SHAREHOLDERS' FUNDS			<u>798,088</u>		<u>682,806</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VIII of the Companies (Northern Ireland) Order 1986.

These financial statements were approved by the directors on the 23 December 1998 and are signed on their behalf by:


MR N BRADLEY

RETAIL SYSTEMS TECHNOLOGY LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 1999****1. ACCOUNTING POLICIES****Basis of accounting**

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

Purchased goodwill is capitalised and depreciated on a straight line basis over its useful economic life (reviewed annually), not exceeding 20 years. Goodwill which is generated by the activities of the company is not recognised as an asset in the balance sheet and the associated costs are written off to the profit and loss account when they are incurred.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures and fittings	10 years straight line
Motor vehicles	5 years straight line
Rental Equipment	5 years straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension costs

The company operates a defined contribution pension scheme and accordingly the premiums payable by the company are charged to the accounts in the period in which they relate.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

RETAIL SYSTEMS TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1999

2. FIXED ASSETS

	Tangible Fixed Assets	Investments	Total
	£	£	£
COST			
At 1st April 1998	543,270	176,750	720,020
Additions	53,601	-	53,601
Disposals	(20,386)	-	(20,386)
At 31st March 1999	<u>576,485</u>	<u>176,750</u>	<u>753,235</u>
DEPRECIATION			
At 1st April 1998	225,037	-	225,037
Charge for year	53,635	-	53,635
On disposals	(18,706)	-	(18,706)
At 31st March 1999	<u>259,966</u>	<u>-</u>	<u>259,966</u>
NET BOOK VALUE			
At 31st March 1999	<u>316,519</u>	<u>176,750</u>	<u>493,269</u>
At 31st March 1998	<u>318,233</u>	<u>176,750</u>	<u>494,983</u>

3. DEBTORS

Debtors include amounts of £11,875 (1998 - £4,592) falling due after more than one year.

4. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1999	1998 restated
	£	£
Bank loans and overdrafts	<u>207,949</u>	<u>112,282</u>

5. GOVERNMENT GRANTS

	1999	1998 restated
	£	£
Received and receivable	23,800	23,800
Amortisation	<u>3,135</u>	<u>2,659</u>
	<u>20,665</u>	<u>21,141</u>

RETAIL SYSTEMS TECHNOLOGY LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1999

6. SHARE CAPITAL

Authorised share capital:

	1999	1998 <i>restated</i>
	£	£
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

Allotted, called up and fully paid:

	1999	1998 <i>restated</i>
	£	£
Ordinary share capital	<u>2</u>	<u>2</u>