

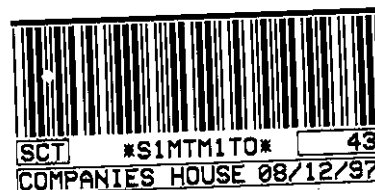
Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Company number SC150480

HUME JONES PARTNERSHIP
Chartered Accountants

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Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

DIRECTOR

A F Benassi

SECRETARY

F T Benassi

ACCOUNTANTS

Hume Jones Partnership
23 Chester Street
Edinburgh

BANKERS

Royal Bank of Scotland
177 Portobello High Street
Edinburgh

REGISTERED OFFICE

110 Moira Terrace
Portobello Road
Edinburgh

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Director's report

The director has pleasure in submitting the Annual Report and Financial Statements for the year to 30 April 1997.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was information technology consultantancy.

DIRECTOR AND HIS INTERESTS

The director who held office during the year and his beneficial interests in the share capital of the company is as follows:

	Ordinary shares of £1 each	
	At 30 April 1997	At 30 April 1996
A F Benassi	2	2

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



AF Benassi

Director

Date: 13/10/97.

**Accountants' Report to the Shareholders
on the unaudited financial statements of
Benassi Softnet Technologies Limited**

We report on the financial statements for the year ended 30 April 1997 set out on pages 4 to 10.

Respective responsibilities of directors and reporting accountants

As described in the balance sheet the company's director is responsible for the preparation of the financial statements, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion :

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Hume Jones Partnership
Chartered Accountants

Reporting Accountants
EDINBURGH

Date : 22 October 1997

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Profit and loss account

	Note	1997 £	1996 £
TURNOVER	2	93,540	88,149
Administration expenses		86,476	58,163
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	7,064	29,986
Tax on profit on ordinary activities	4	2,642	8,260
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		4,422	21,726
Proposed dividends		-	24,000
PROFIT\LOSS) FOR THE FINANCIAL YEAR		4,422	(2,274)
STATEMENT OF RETAINED PROFITS			
Retained profits brought forward		416	2,690
Profit\loss) for the year		4,422	(2,274)
Retained profits carried forward		4,838	416

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

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

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Balance sheet

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	5	19,413	3,386
CURRENT ASSETS			
Debtors	6	8,274	12,658
Cash at bank		-	124
		8,274	12,782
CREDITORS			
Amounts falling due within one year	7	15,850	15,750
NET CURRENT LIABILITIES		(7,576)	(2,968)
TOTAL ASSETS LESS CURRENT LIABILITIES		11,837	418
CREDITORS			
Amounts falling due after more than one year	8	6,997	-
		4,840	418
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account		4,838	416
Shareholder's funds	10	4,840	418

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

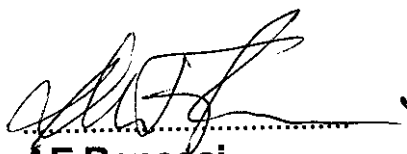
Balance sheet (continued)

The director confirms that for the year ending 30 April 1997 the company was entitled to the exemption under Section 249A(2) of the Companies Act 1985 and that no notice requiring an audit has been deposited under Section 249B(2) in relation to the financial statements for the year.

The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with Section 221, and preparing financial statements 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 result for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

Approved by the director and signed.



AF Benassi

Director

Date: 13/10/97.

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Notes to the financial statements

1 ACCOUNTING POLICIES

Basis of preparation of the financial statements

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

In accordance with FRS 1, no cash flow statement has been prepared on the grounds that the company is exempt, being a small company as defined by Section 247 of the Companies Act 1985.

Depreciation

Depreciation is provided on fixed assets at rates calculated to write-off their costs over their expected useful lives as follows:

Equipment	33 1/3%
Motor vehicles	25%

Deferred taxation

Deferred taxation is provided on the liability method only to the extent that there is a reasonable probability that a liability or asset will crystallise in the near future.

Leasing

Amounts payable under operating leases are charged before arriving at profit before taxation.

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to profit and loss account over the period of the lease and represents a constant proportion of the balance of the capital repayments outstanding.

Pensions

The company pays pension contributions for certain employees on a defined contribution basis and the pension cost charge represents the amounts payable by the company to the respective funds in the year.

2 TURNOVER

Turnover, which excludes Value Added Tax, represents the fees invoiced during the year.

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Notes to the financial statements (continued)

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	1997 £	1996 £
Operating profit is stated after charging:		
Director's remuneration	23,301	22,790

The director's remuneration includes pension contributions of £1,956 (1996 £nil).

4 TAXATION

	1997 £	1996 £
Corporation tax		
Current year	2,642	8,260

5 TANGIBLE FIXED ASSETS

	Equipment £	Motor vehicle £	Total £
COST			
At 1 May 1996	10,158	-	10,158
Additions	6,283	16,995	23,278
At 30 April 1997	16,441	16,995	33,436
DEPRECIATION			
At 1 May 1996	6,772	-	6,772
Charge for the year	5,481	1,770	7,251
At 30 April 1997	12,253	1,770	14,023
NET BOOK VALUE			
At 30 April 1997	4,188	15,225	19,413
At 30 April 1996	3,386	-	3,386

Motor vehicles includes assets on hire purchase with a net book value of £15,225 (1996 £nil).

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Notes to the financial statements (continued)

6 DEBTORS

	1997	1996
	£	£
Trade debtors	2,226	3,850
Director's loan account	2,690	2,808
Advance corporation tax	-	6,000
Corporation tax recoverable	3,358	-
	<u>8,274</u>	<u>12,658</u>

The maximum amount of director's loan account in the year was £ 2,808 (1996 £27,408). This loan was repaid to the company in May 1997.

7 CREDITORS: Amounts falling due within one year

	1997	1996
	£	£
Accruals	3,642	1,100
Social security costs and other taxes	1,344	2,890
Corporation tax	-	5,760
Advance corporation tax	-	6,000
Bank overdraft	4,060	-
Current due on hire purchase	2,624	-
Loan	4,180	-
	<u>15,850</u>	<u>15,750</u>

8 CREDITORS: Amounts falling due after more than one year

	1997	1996
	£	£
Hire purchase:		
Due within one and two years	4,180	-
Due within two and five years	2,817	-
	<u>6,997</u>	<u>-</u>

Benassi Softnet Technologies Limited

Financial Statements for the year to 30 April 1997

Notes to the financial statements (continued)

9 SHARE CAPITAL

	£	£
Authorised 100 £1 Ordinary Shares	100	100
	_____	_____
Allotted, issued and fully paid 2 £1 Ordinary Shares	2	2
	_____	_____

10 SHAREHOLDER'S FUNDS

	1997 £	1996 £
Profit for the year	4,422	21,726
Dividends	-	(24,000)
	_____	_____
	4,422	(2,274)
Opening shareholder's funds	418	2,692
	_____	_____
	4,840	418
Closing shareholder's funds	_____	_____

11 CONTROL OF THE COMPANY

The shareholder, AF Benassi who holds 2 ordinary shares, has control of the company.