

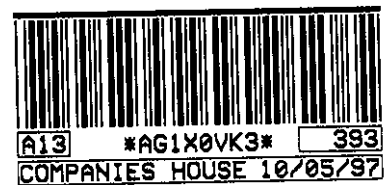
PEBBLESHORE LIMITED

Company No: 3007139

FINANCIAL STATEMENTS

– for the year ended –

31ST JANUARY 1997



PEBBLESHORE LIMITED

DIRECTORS

J.A. Hume Esq.
Mrs. M. Hume

SECRETARY

Mrs. D. Summers

BUSINESS ADDRESS

Lewes Enterprise Centre
112 Malling Street
Lewes
East Sussex

REGISTERED OFFICE

Lewes Enterprise Centre
112 Malling Street
Lewes
East Sussex

PEBBLESHORE LIMITED

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PEBBLESHORE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st January 1997.

PRINCIPAL ACTIVITIES

The principal activity of the company was the provision of educational computer services.

DIRECTORS AND THEIR INTERESTS

On 22nd June 1996 Mrs H. Rowe resigned her position as a director and company secretary and Mrs M. Hume was appointed as a director.

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1997</u>	<u>1996</u>
J.A. Hume Esq.	Ordinary shares	13	13
Mrs. M. Hume	Ordinary shares	-	-
Mrs. H. Rowe	Ordinary shares	7	7

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

SMALL COMPANY DISCLOSURE

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

Date: 24 April 1997

By Order of the Board

Diana Summers
Mrs. D. Summers
Secretary

PEBBLESHORE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JANUARY 1997

	Notes	1997 £	1996 £
TURNOVER		37,335	26,878
Cost of sales		(21,495)	(19,009)
GROSS PROFIT		15,840	7,869
Administrative expenses		(10,989)	(9,237)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	4,851	(1,368)
Tax on profit on ordinary activities	3	(1,021)	-
PROFIT FOR THE FINANCIAL YEAR	10	3,830	(1,368)

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

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 to 9 form part of these financial statements.

PEBBLESHORE LIMITED

BALANCE SHEET AT 31ST JANUARY 1997

	Notes	£	1997 £	£	1996 £
FIXED ASSETS					
Intangible assets	4		6,750		7,125
Tangible assets	5		3,963		2,959
			<u>10,713</u>		<u>10,084</u>
CURRENT ASSETS					
Stocks	6	2,312		2,175	
Debtors	7	7,506		5,370	
Cash at bank and in hand		15		15	
		<u>9,833</u>		<u>7,560</u>	
CREDITORS: Amounts falling due within one year	8	(18,064)		(18,992)	
NET CURRENT LIABILITIES			<u>(8,231)</u>		<u>(11,432)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,482</u>		<u>(1,348)</u>
CAPITAL AND RESERVES					
Called up share capital	9		20		20
Profit and loss account	10		2,462		(1,368)
			<u>2,482</u>		<u>(1,348)</u>

The statements required to be made by the company's directors and the signatures required by the Companies Act 1985 are given on the following page.

The notes on pages 5 to 9 form part of these financial statements.

PEBBLESHORE LIMITED

BALANCE SHEET AT 31ST JANUARY 1997 (Continued)

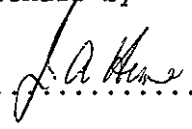
The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:-

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31st January 1997 and of its profit for the year then ended 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 is applicable to the company.

In preparing these financial statements, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

The financial statements were approved
by the board on24.1.97.... and
signed on its behalf by

..........
J.A. Hume Esq.
Director

The notes on pages 5 to 9 form part of these financial statements.

PEBBLESHORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 1997

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

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

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 GOODWILL

The company's policy is to write off goodwill evenly over its estimated life of 20 years.

1.4 GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes that the directors and shareholders will continue to support the company for the foreseeable future.

1.5 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Plant and machinery	25%	Reducing balance
Fixtures and fittings	20%	Straight line

1.6 STOCKS

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.7 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

2. OPERATING PROFIT

1997
£

1996
£

The operating profit is stated after charging:

Depreciation	1,322	903
Amortisation of goodwill	375	375
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PEBBLESHORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 1997

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1997	1996
	£	£
The taxation charge based on the profit before tax comprises:		
U.K. corporation tax	1,021	-
	<hr/>	<hr/>
	1,021	-
	<hr/>	<hr/>

4. INTANGIBLE ASSETS

	Goodwill
	£
<u>Cost</u>	
At 1st February 1996 and	
At 31st January 1997	7,500
	<hr/>
<u>Amortisation</u>	
At 1st February 1996	375
Charge for year	375
	<hr/>
At 31st January 1997	750
	<hr/>
<u>Net book value at</u>	
<u>31st January 1997</u>	6,750
	<hr/>
<u>Net book value at</u>	
<u>31st January 1996</u>	7,125
	<hr/>

PEBBLESHORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 1997

5. TANGIBLE ASSETS

	Plant and machinery etc. £
<u>Cost</u>	
At 1st February 1996	3,862
Additions	2,666
Disposals	(453)
	<hr/>
At 31st January 1997	6,075
	<hr/>
<u>Depreciation</u>	
At 1st February 1996	903
Charge for year	1,322
On disposals	(113)
	<hr/>
At 31st January 1997	2,112
	<hr/>
<u>Net book value at 31st January 1997</u>	<u>3,963</u>
	<hr/>
<u>Net book value at 31st January 1996</u>	<u>2,959</u>
	<hr/>

6. STOCKS

	1997 £	1996 £
Stocks	<u>2,312</u>	<u>2,175</u>

7. DEBTORS

	1997 £	1996 £
Trade debtors	7,506	4,925
Others	-	445
	<hr/>	<hr/>
	<u>7,506</u>	<u>5,370</u>

PEBBLESHORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 1997

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1997 £	1996 £
Bank overdrafts	3,513	1,000
Trade creditors	1,013	2,506
Other creditors	13,538	15,486
	<u>18,064</u>	<u>18,992</u>
 9. SHARE CAPITAL	 1997 £	 1996 £
<u>Authorised</u>		
Equity interests:		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
 <u>Allotted, called up and fully paid</u>		
Equity interests:		
20 Ordinary shares of £1 each	<u>20</u>	<u>20</u>
 10. PROFIT AND LOSS ACCOUNT	 1997 £	 1996 £
Accumulated losses at 1st February 1996	(1,368)	-
Profit for the financial year	3,830	(1,368)
Retained profits at 31st January 1997	<u>2,462</u>	<u>(1,368)</u>

PEBBLESHORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 1997

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit for the financial year	3,830	(1,368)
New share capital subscribed	-	20
	<hr/>	<hr/>
Net addition to shareholders' funds	3,830	(1,348)
Shareholders' funds at 1st February 1996	(1,348)	-
	<hr/>	<hr/>
Shareholders' funds at 31st January 1997	2,482	(1,348)
	<hr/>	<hr/>
Represented by:-		
Equity interests	2,482	(1,348)
	<hr/>	<hr/>
	2,482	(1,348)
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12. RELATED PARTY DISCLOSURES

During the year one of the company's computers was sold to Mrs H. Rowe, a shareholder of the company, for its market value of £350.