

Company no. 2642975

**REGISTRAR OF
COMPANIES**

Sapphire International Limited

Report and Financial Statements

Year Ended

31 December 1997



BDO

BDO Stoy Hayward
Chartered Accountants

SAPPHIRE INTERNATIONAL LIMITED

Annual report and financial statements for the year ended 31 December 1997

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Directors

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Director

S R Page

Secretary and registered office

K.R.B. (Secretaries) Limited, 13-19 Curtain Road, London, EC2A 3LT.

Company number

2642975

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

SAPPHIRE INTERNATIONAL LIMITED

Report of the directors for the year ended 31 December 1997

The director presents his report together with the audited financial statements for the year ended 31 December 1997.

Results and dividends

The profit for the year, after taxation amounted to £22,000 (1996 - loss of £12,000). The directors do not recommend the payment of a dividend.

Principal activities, review of business and future developments

The company's principal activities during the year were the supply of packaged software and associated services to the business and professional sectors of the microcomputer market.

As a result of the restructuring and reorganisation of the business which occurred during 1996, the company was pleased to make a small profit during 1997. In addition new products have been launched and the director anticipates that this will lead to an upturn in turnover towards the end of 1998.

Directors

The directors of the company during the year were:

S R Page
J Franklin (resigned 31 July 1997)

According to the register kept by the company pursuant to Section 325 of the Companies Act 1985, the directors and their families had the following interests in the share capital of Triangle Software International Inc, the ultimate parent company.

| Shares | 1997 | 1996 |
|------------|-----------|-----------|
| S R Page | 2,225,949 | 2,771,418 |
| J Franklin | - | 79,998 |

Charitable contributions

There were no political or charitable contributions (1996 - £875).

Director's responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

SAPPHIRE INTERNATIONAL LIMITED

Report of the directors for the year ended 31 December 1997 (*Continued*)

Director's responsibilities (*Continued*)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

K.R.B. (Secretaries) Limited



For and on behalf of
K.R.B. (SECRETARIES) LTD.

Secretary

Date 17 July 1998

SAPPHIRE INTERNATIONAL LIMITED

Report of the auditors

To the shareholders of Sapphire International Limited

We have audited the financial statements on pages 4 to 17 which have been prepared under the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

As described on pages 1 and 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.

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.

Adverse opinion

The company's principal asset is an amount of £1,132,000 due from the parent undertaking which has net external liabilities. In our opinion the company is unlikely to receive repayment of this debt and full provision of £1,132,000 is required to reduce this balance to its net realisable value.

In view of the effect of the failure to make the provision referred to above, in our opinion the financial statements do not give a true and fair view of the state of the company's affairs at 31 December 1997 and of its profit for the year then ended.

In all other respects the financial statements have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
London

17 July 1998

SAPPHIRE INTERNATIONAL LIMITED

Profit and loss account for the year ended 31 December 1997

| | Note | 1997 £'000 | 1996 £'000 |
|---|------|---------------|---------------|
| Turnover | 2 | 2,188 | 3,168 |
| Cost of sales | | 1,152 | 1,722 |
| | | <hr/> | <hr/> |
| Gross profit | | 1,036 | 1,446 |
| Distribution costs | | 446 | 535 |
| Administrative expenses | | 601 | 827 |
| | | <hr/> | <hr/> |
| Operating (loss)/profit | 3 | (11) | 84 |
| Cost of fundamental restructuring and reorganisation | | - | (29) |
| Profit on disposal of tangible assets | 5 | 4 | - |
| Profit on disposal of goodwill | 5 | 28 | - |
| Interest payable | 7 | (19) | (78) |
| | | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities before taxation | | 2 | (23) |
| Taxation | 8 | (20) | (35) |
| | | <hr/> | <hr/> |
| Profit retained for the financial year | 18 | 22 | 12 |
| | | <hr/> | <hr/> |

There were no movements in shareholders' funds apart from the profit for the year.
All amounts relate to continuing activities.
All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 17 form part of these financial statements.

SAPPHIRE INTERNATIONAL LIMITED

Balance sheet at 31 December 1997

| | Note | 1997 £'000 | 1996 £'000 |
|--|------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 9a | 42 | 78 |
| Investments | 9b | 166 | - |
| Current assets | | | |
| Stocks | 10 | 5 | 27 |
| Debtors due within one year | 11 | 490 | 602 |
| Debtors due after one year | 11 | 1,147 | 1,271 |
| Cash at bank and in hand | | 4 | - |
| | | <u>1,646</u> | <u>1,900</u> |
| Creditors: amounts falling due within one year | 12 | <u>570</u> | <u>806</u> |
| Net current assets | | <u>1,076</u> | <u>1,094</u> |
| Total assets less current liabilities | | <u>1,284</u> | <u>1,172</u> |
| Creditors: amounts falling due after more than one year | 13 | <u>129</u> | <u>39</u> |
| Net assets | | <u><u>1,155</u></u> | <u><u>1,133</u></u> |
| Capital and reserves | | | |
| Called up share capital | 15 | 137 | 137 |
| Share premium account | 18 | 241 | 241 |
| Profit and loss account | 18 | 777 | 755 |
| Shareholder's funds - equity | | <u><u>1,155</u></u> | <u><u>1,133</u></u> |

The financial statements were approved by the Board on 17 July 1998

S R Page
Director



The notes on pages 7 to 17 form part of these financial statements.

SAPPHIRE INTERNATIONAL LIMITED

Cash flow statement for the year ended 31 December 1997

| | Note | 1997 £'000 | 1996 £'000 |
|--|------|---------------|---------------|
| Net cash inflow from operating activities | 20 | 124 | 240 |
| Returns on investments and servicing of finance | | | |
| Interest paid | | (70) | (26) |
| Interest element of finance lease rental payments | | (1) | - |
| Net cash outflow from returns on investments and servicing of finance | | (71) | (26) |
| Taxation | | | |
| Corporation tax received/(paid) | | 41 | (19) |
| Tax received/(paid) | | 41 | (19) |
| Capital expenditure and financial investments | | | |
| Payments to acquire tangible fixed assets | | (29) | (30) |
| Receipts from sales of tangible fixed assets | | 4 | - |
| Net cash outflow from capital expenditure and financial investments | | (25) | (30) |
| Net cash inflow before financing | | 69 | 165 |
| Financing | | | |
| Repayments of capital element of finance lease rentals | | (16) | (23) |
| Net cash outflow from financing | 21 | (16) | (23) |
| Increase in cash | 21 | 53 | 142 |

The notes on pages 7 to 17 form part of these financial statements.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997

1 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Group accounts

The accounts contain information about Sapphire International Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by S.248 of the Companies Act 1985 not to produce consolidated accounts as the group it heads qualifies as a medium sized group.

Tangible fixed assets and depreciation

Motor vehicles, equipment and leasehold improvements are stated at cost net of accumulated depreciation and amortisation. Depreciation and amortisation is computed on a straight-line method at rates intended to write-off the cost of the assets less their estimated residual values over the assets' estimated useful lives as follows:

| | |
|----------------------------------|-----------|
| Leasehold improvements | - 4 years |
| Furniture, fixtures and fittings | - 4 years |
| Computer equipment | - 3 years |
| Motor vehicles | - 4 years |

Revenue recognition

Revenue is recognised at the time of shipment, net of provision for estimated future returns. The estimated costs for support during the warranty period are included in cost of revenues. Revenue from maintenance contracts is recognised over the life of the contract.

Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing difference will reverse.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

1 Accounting policies (*Continued*)

Foreign currencies

Transactions in foreign currencies are recorded at rates of exchange prevailing at the time of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held 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 the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Royalties

Royalties are charged to the profit and loss account at a percentage of software sales in accordance with terms of the royalties agreement.

2 Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax and earned predominantly in the United Kingdom.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

2 Turnover (*Continued*)

| | 1997 £'000 | 1996 £'000 |
|---|---------------|---------------|
| <i>Turnover</i> | | |
| Computer software goods and related training services | 1,788 | 2,628 |
| Consultancy services | 400 | 540 |
| | <u>2,188</u> | <u>3,168</u> |

3 Operating profit/(loss)

This is stated after charging:

| | | |
|---|------------|------------|
| Auditors' remuneration: | | |
| Audit services | 12 | 12 |
| Non-audit services | - | 9 |
| Depreciation of owned fixed assets | 44 | 78 |
| Depreciation of assets held under finance leases and hire purchase contracts | 9 | 14 |
| Exchange loss | 1 | 2 |
| Operating lease rentals: | | |
| Motor vehicles | 71 | 68 |
| Land and buildings | 180 | 164 |
| | <u>217</u> | <u>237</u> |

4 Directors' remuneration

| | 1997 £'000 | 1996 £'000 |
|-----------------------|---------------|---------------|
| Directors' emoluments | 131 | 194 |
| | <u>131</u> | <u>194</u> |
| Highest paid director | 96 | 132 |
| | <u>96</u> | <u>132</u> |

Pension contributions of £8,000 (1996 - £9,228) were made in respect of directors.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

| 5 | Profit on disposal of assets | £ |
|---|---------------------------------------|-------------|
| | Profit on disposal of tangible assets | 4 |
| | Profit on disposal of goodwill | 28 |
| | | <hr/> |
| | | 32 |
| | | <hr/> <hr/> |

The disposal of goodwill relates to the disposal of part of the company's consultancy business and the associated goodwill. The sale was made to Technology Arts Information Limited, a fellow subsidiary company.

| 6 | Staff costs | £'000 | £'000 |
|---|---|-------------|-------------|
| | Staff costs, including directors emoluments, were as follows: | | |
| | Wages and salaries | 856 | 1,087 |
| | Social security costs | 84 | 103 |
| | Other pension costs | 30 | 37 |
| | Private health insurance | 4 | 13 |
| | | <hr/> | <hr/> |
| | | 974 | 1,240 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The average weekly number of employees, including executive directors, during the year was as follows:

| | Number | Number |
|--|-------------|-------------|
| Sales and marketing | 7 | 12 |
| Support, training and consultancy | 16 | 22 |
| Finance, administration and management | 10 | 10 |
| | <hr/> | <hr/> |
| | 33 | 44 |
| | <hr/> <hr/> | <hr/> <hr/> |

7 Interest payable

| | | |
|--|-------------|-------------|
| Bank loans and overdrafts repayable within five years | 18 | 23 |
| Finance charges payable under finance leases and hire purchase contracts | 1 | - |
| Interest on corporation tax payment | - | 55 |
| | <hr/> | <hr/> |
| | 19 | 78 |
| | <hr/> <hr/> | <hr/> <hr/> |

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

8 Taxation

| | 1997 £'000 | 1996 £'000 |
|--|---------------|---------------|
| Charge for year | 3 | 13 |
| Over provision in respect of prior years | (23) | (48) |
| | <u>(20)</u> | <u>(35)</u> |

9 Fixed assets

9a Tangible assets

| | Leasehold improvements £'000 | Furniture and fittings £'000 | Computer equipment £'000 | Motor vehicles £'000 | Total £'000 |
|--------------------------|------------------------------------|---------------------------------------|--------------------------------|----------------------------|----------------|
| <i>Cost or valuation</i> | | | | | |
| At 1 January 1997 | 81 | 52 | 439 | 24 | 596 |
| Additions | 6 | 3 | 20 | - | 29 |
| Disposals | (81) | (34) | (304) | (24) | (443) |
| | <u>6</u> | <u>21</u> | <u>155</u> | <u>-</u> | <u>182</u> |
| At 31 December 1997 | | | | | |
| <i>Depreciation</i> | | | | | |
| At 1 January 1997 | 64 | 50 | 380 | 24 | 518 |
| Provided for the year | 17 | 1 | 35 | - | 53 |
| Disposals | (81) | (34) | (292) | (24) | (431) |
| | <u>-</u> | <u>17</u> | <u>123</u> | <u>-</u> | <u>140</u> |
| At 31 December 1997 | | | | | |
| <i>Net book value</i> | | | | | |
| At 31 December 1997 | <u>6</u> | <u>4</u> | <u>32</u> | <u>-</u> | <u>42</u> |
| At 31 December 1996 | <u>17</u> | <u>2</u> | <u>59</u> | <u>-</u> | <u>78</u> |

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

9b Investments

The company's investment represents 65% of the ordinary share capital of Technology Arts Information Limited. At 31 October 1997, the latest date for which accounts are available, the aggregate capital and reserves of Technology Arts Information Limited were £154,515 and its profit for the year then ended was £57,436.

10 Stocks

| | 1997 £'000 | 1996 £'000 |
|------------------|-------------------|-------------------|
| Goods for resale | 5 | 27 |
| | <u> </u> | <u> </u> |

11 Debtors

Amounts falling due within one year

| | | |
|--|-------------------|-------------------|
| Trade debtors | 303 | 423 |
| Amounts owed by fellow subsidiary undertakings | 96 | 93 |
| Prepayments | 71 | 61 |
| Other debtors | 13 | 9 |
| Corporation tax | - | 16 |
| ACT recoverable | 7 | - |
| | <u> </u> | <u> </u> |
| | 490 | 602 |
| | <u> </u> | <u> </u> |

Amounts falling due after one year

| | | |
|--|-------------------|-------------------|
| ACT recoverable | - | 15 |
| Amounts owed by parent undertaking | 1,132 | 1,256 |
| Amounts owed by fellow subsidiary undertakings | 15 | - |
| | <u> </u> | <u> </u> |
| | 1,147 | 1,271 |
| | <u> </u> | <u> </u> |

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

12 Creditors: amounts falling due within one year

| | 1997 £'000 | 1996 £'000 |
|--|---------------|---------------|
| Bank overdraft | 78 | 127 |
| Amounts due to invoice discounting company | 55 | 143 |
| Obligations under finance leases and hire purchase contracts | - | 14 |
| Trade creditors | 147 | 171 |
| Corporation tax | 22 | - |
| Deferred revenue | 42 | 82 |
| Other taxes and social security costs | 28 | 56 |
| Accruals | 50 | 177 |
| Other creditors | 148 | 11 |
| ACT payable | - | 25 |
| | <hr/> | <hr/> |
| | 570 | 806 |
| | <hr/> | <hr/> |

Included within accruals is £4,344 (1996 - £5,302) relating to outstanding contributions payable on the pension scheme. The amounts due to the invoice discounting company are secured by a fixed and floating charge over the assets of the company and a guarantee from Triangle Software International Inc.

13 Creditors: amounts falling due after more than one year

| | 1997 £'000 | 1996 £'000 |
|--|---------------|---------------|
| Obligations under finance leases and hire purchase contracts | - | 2 |
| Other creditors | 129 | 37 |
| | <hr/> | <hr/> |
| | 129 | 39 |
| | <hr/> | <hr/> |

The above amounts fall due for repayment within five years.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

14 Deferred taxation

Deferred taxation provided in the accounts and the amounts not provided are as follows:

| | 1997 | | 1996 | |
|--------------------------------|-------------------|--------------------------|-------------------|--------------------------|
| | Provided £'000 | Not provided £'000 | Provided £'000 | Not provided £'000 |
| Accelerated capital allowances | - | (16) | - | (21) |
| Short-term timing differences | - | (1) | - | (1) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Deferred tax asset | - | (17) | - | (22) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

15 Share capital

| | Authorised | | | |
|--------------------|------------------------------------|-------------------|-------------------|-------------------|
| | 1997 No. | 1996 No. | 1997 £'000 | 1996 £'000 |
| £1 ordinary shares | 250,000 | 250,000 | 250 | 250 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | Allotted, called up and fully paid | | | |
| | 1997 No. | 1996 No. | 1997 £'000 | 1996 £'000 |
| £1 ordinary shares | 137,329 | 137,329 | 137 | 137 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

16 Pension commitments

The company operates a defined contribution pension scheme for its director and employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 *(Continued)*

17 Other financial commitments

At 31 December 1997 the company had annual commitments under non-cancellable operating leases as set out below:

| | 1997 | | 1996 | |
|--------------------------------|--------------------------------|----------------|--------------------------------|----------------|
| | Land and buildings £'000 | Other £'000 | Land and buildings £'000 | Other £'000 |
| Operating leases which expire: | | | | |
| Within one year | - | 7 | - | 2 |
| Between two to five years | 137 | 110 | 34 | 58 |
| After five years | - | - | 156 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 137 | 117 | 190 | 60 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

18 Reconciliation of movements in shareholders' funds

| | Share capital £'000 | Share premium account £'000 | Profit and loss account £'000 | Total £'000 |
|---|---------------------------|--------------------------------------|--|----------------|
| Shareholders' funds at 1 January 1997 | 137 | 241 | 755 | 1,133 |
| Profit for the year | - | - | 22 | 22 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Shareholders' funds at 31 December 1997 | 137 | 241 | 777 | 1,155 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

19 Ultimate parent undertaking and ultimate controlling party

The directors regard Triangle Software International Inc (formerly known as DataEase Sapphire International Inc), a company registered in the State of Delaware, United States of America, as the company's ultimate parent undertaking as at 31 December 1997. S R Page is considered to be the ultimate controlling party.

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 *(Continued)*

20 Reconciliation of operating (loss)/profit to net cash inflow from operating activities

| | 1997 £'000 | 1996 £'000 |
|--|---------------|---------------|
| Operating (loss)/profit | (11) | 84 |
| Depreciation | 53 | 92 |
| Decrease in stocks | 22 | 269 |
| Decrease in debtors | 69 | (2) |
| Decrease in creditors | (9) | (174) |
| | <u>124</u> | <u>269</u> |
| Cost of fundamental restructuring and reorganisation | - | (29) |
| | <u>124</u> | <u>240</u> |
| Net cash inflow from operating activities | <u>124</u> | <u>240</u> |

21 Analysis of net debt

| | At 1 January 1997 £'000 | Cash flows £'000 | At 31 December 1997 £'000 |
|--------------------------|-------------------------------|------------------------|---------------------------------|
| Cash in hand and at bank | - | 4 | 4 |
| Overdrafts | (127) | 49 | (78) |
| | <u>(127)</u> | <u>53</u> | <u>(74)</u> |
| Finance leases | (16) | 16 | - |
| | <u>(143)</u> | <u>69</u> | <u>(74)</u> |

22 Reconciliation of net cash flow to movement in net debt

| | £ |
|---|-------------|
| Change in net debt resulting from cashflows | 53 |
| Cash outflow from financing | 16 |
| | <u>69</u> |
| Net debt at 1 January 1997 | (143) |
| | <u>(74)</u> |
| Net debt at 31 December 1997 | <u>(74)</u> |

SAPPHIRE INTERNATIONAL LIMITED

Notes forming part of the financial statements for the year ended 31 December 1997 (*Continued*)

23 Related party transactions

During the year the company has incurred royalty charges of £294,192 from Sapphire International (Ireland) Limited (formerly Triangle Software International Limited). Management charges of £60,340 were also made to Sapphire International (Ireland) Limited. At the year end £61,127 was due from this company.

On 31 December 1997 Sapphire International Limited was party to an agreement which resulted in tangible assets and goodwill being sold to Technology Arts International Limited. Total consideration for this transaction amounted to £33,448. At the year end £17,923 was due from this company.

During the year the company made a payment of £41,000 to its parent company. At the year end £1,132,000 was due from this company.

During the year the company purchased an investment previously held by Sapphire International (Ireland) Limited (see note 9b).

24 Post balance sheet events

The company has entered into negotiations to obtain additional financing to fund its existing and future trading activities. The ability of the company to continue to trade as a going concern is dependent on the successful outcome of those negotiations.