

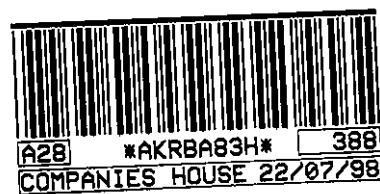
regular

2695678 (England and Wales)

SYSTEMATION EURO LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1998



SYSTEMATION EURO LIMITED

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SYSTEMATION EURO LIMITED

AUDITORS' REPORT TO SYSTEMATION EURO LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 9 together with the financial statements of Systemation Euro Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. 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 sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1998, and the abbreviated accounts on pages 3 to 9 have been properly prepared in accordance with that Schedule.

Other information

On 6 July 1998 we reported, as auditors of Systemation Euro Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of 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.

SYSTEMATION EURO LIMITED

**AUDITORS' REPORT TO SYSTEMATION EURO LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (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 state of the company's affairs as at 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



Haslers

Chartered Accountants
Registered Auditor

6 July 1998

Johnston House
8 Johnston Road
Woodford Green
Essex IG8 0XA

SYSTEMATION EURO LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 MARCH 1998

		1998	1997
	Notes	£	£
FIXED ASSETS			
Intangible assets	2	43,744	61,411
Tangible assets	3	449,546	392,222
Investments	4	-	2
		<u>493,290</u>	<u>453,635</u>
CURRENT ASSETS			
Stocks		72,479	75,884
Debtors		271,529	246,919
Cash at bank and in hand		2,795	1,934
		<u>346,803</u>	<u>324,737</u>
CREDITORS: amounts falling due within one year		<u>(327,985)</u>	<u>(328,339)</u>
NET CURRENT ASSETS		<u>18,818</u>	<u>(3,602)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>512,108</u>	<u>450,033</u>
CREDITORS: amounts falling due after more than one year	5	(90,328)	(103,501)
PROVISION FOR LIABILITIES AND CHARGES		<u>(21,000)</u>	<u>(15,000)</u>
		<u>£ 400,780</u>	<u>£ 331,532</u>
CAPITAL AND RESERVES			
Called up share capital	6	100,000	100,000
Profit and loss account		300,780	231,532
SHAREHOLDERS' FUNDS		<u>£ 400,780</u>	<u>£ 331,532</u>

SYSTEMATION EURO LIMITED

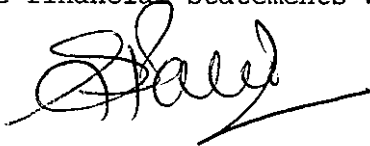
ABBREVIATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 1998

In preparing these abbreviated accounts:

- (a) Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the Board on 6 July 1998.

A handwritten signature in black ink, appearing to read 'H.S. Patel', with a long horizontal stroke extending to the right.

H.S. Patel

Director

SYSTEMATION EURO LIMITED

Notes to the Abbreviated Accounts for the year ended 31 March 1998

1. ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 TURNOVER

Turnover represents amounts receivable for services provided net of VAT and trade discounts.

1.3 GOODWILL

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	20% Straight line
Fixtures, fittings and equipment	-	20% Straight line
Motor vehicles	-	25% Straight line

1.5 LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge in each period.

SYSTEMATION EURO LIMITED

**Notes to the Abbreviated Accounts
for the year ended 31 March 1998**

1.6 STOCK

Stock is valued at the lower of cost and net realisable value.

1.7 DEFERRED TAXATION

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

1.8 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2. Intangible Fixed Assets

	Goodwill £
Cost	
At 1 April 1997 & at 31 March 1998	116,481
Amortisation	
At 1 April 1997	55,070
Charge for year	17,667
At 31 March 1998	72,737
Net book value	
At 31 March 1998	£ 43,744
At 31 March 1997	£ 61,411

SYSTEMATION EURO LIMITED

**Notes to the Abbreviated Accounts
for the year ended 31 March 1998**

3. Tangible Assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 1997	547,552	63,151	26,304	637,007
Additions	177,370	13,509	20,213	211,092
Disposals	-	-	(16,874)	(16,874)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1998	724,922	76,660	29,643	831,225
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 1997	208,119	30,448	6,218	244,785
On disposals	-	-	(1,758)	(1,758)
Charge for year	120,309	13,477	4,866	138,652
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1998	328,428	43,925	9,326	381,679
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 1998	£ 396,494	£ 32,735	£ 20,317	£ 449,546
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1997	£ 339,433	£ 32,703	£ 20,086	£ 392,222
	<hr/>	<hr/>	<hr/>	<hr/>

4. Fixed Asset Investments

	1998 £	1997 £
Subsidiary undertakings	-	2
	<hr/>	<hr/>
Investment in subsidiary undertakings		
		£
At 1 April 1997		2
Disposals		(2)
		<hr/>
At 31 March 1998		-
		<hr/>
Net Book Values		
At 31 March 1997		£ 2
		<hr/>

SYSTEMATION EURO LIMITED

Notes to the Abbreviated Accounts for the year ended 31 March 1998

5. Creditors: amounts falling due after more than one year	1998 £	1997 £
Loans (secured)	-	52,854
Net obligations under finance leases and hire purchase contracts	90,328	50,647
	<u>90,328</u>	<u>103,501</u>

Loans

Wholly repayable within five years	32,567	97,524
Included in current liabilities	(32,567)	(44,670)
	<u>£ -</u>	<u>£ 52,854</u>

The bank loan bears interest at 2.5% over the bank base rate.

6. Share Capital	1998 £	1997 £
Authorised		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

7. Transactions With Directors

The following director had an interest free loan during the year. The movement on these loans are as follows:

	Amount Outstanding 1998 £	1997 £	Maximum in year £
H.S. Patel	1,921	-	1,921

The above overdrawn loan account balance was fully repaid after the year end.