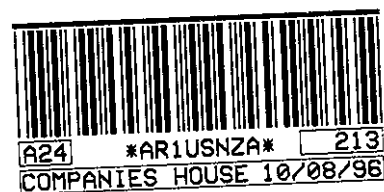


SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

Company No. 2993054



SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

COMPANY INFORMATION

Directors

S T Jury
M J Owen
M J Lowe
C Adams
T Chadwick
D W Woodvine
M B Edbrooke
A P Rosenthal
R K Austin

Secretary

S J Davies

Company Number

2993054

Registered Office

Walker House
Radbroke Centre
Shrewsbury
SY3 9BJ

Auditors

Sayers Butterworth
18 Bentinck Street
London
W1M 5RL

Bankers

National Westminster Bank Plc
8 Mardol Head
Shrewsbury
SY1 1HE

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

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SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31ST MARCH 1996

The directors present their report together with the audited accounts for the period ended 31st March 1996.

Principal Activities and Review of Business

The company's principal activity is the provision of careers information, guidance and advice services to individuals, schools, colleges, employers and training providers throughout Shropshire.

The company was incorporated on 22nd November 1994 as Broomco (869) Limited and changed its name to Shropshire Careers Service Limited on 9th March 1995.

The company commenced trading in April 1995.

The results for the period are set out on page 5.

The directors consider the loss on ordinary activities before taxation to be satisfactory

The directors consider the state of the company's affairs to be satisfactory.

Dividends

The directors do not recommend a dividend and the retained loss of £5,126 will be deducted from reserves.

Fixed Assets

Details of movements in fixed assets are set out in the notes to the accounts.

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31ST MARCH 1996

Directors

The directors who served during the period were:

S T Jury - appointed 15th March 1995
M J Owen - appointed 15th March 1995
M J Lowe - appointed 15th March 1995
C Adams - appointed 15th March 1995
T Chadwick - appointed 15th March 1995
D W Woodvine - appointed 15th March 1995
M B Edbrooke - appointed 15th March 1995
A P Rosenthal - appointed 20th July 1995
R K Austin - appointed 25th January 1996

Broomco Management Services Limited and Broomco Secretarial Services Limited were appointed directors on incorporation and each held one ordinary share upon appointment. Both companies resigned as directors on 15th March 1995.

P Homer was appointed director on 15th March 1995 and resigned on 25th January 1996. He had no interest in the ordinary share capital of the company.

T D Peck was appointed director on 15th March 1995 and resigned on 31st May 1995. He had no interest in the ordinary share capital of the company.

S T Jury, M J Lowe and T Chadwick are directors of Shropshire Training and Enterprise Council Limited, which owns 500 ordinary shares in the company. No other directors had any interest in the ordinary share capital of the company.

Issue of Shares

Two ordinary shares of £1 each were issued at par upon incorporation on 22nd November 1994 and a further 998 ordinary shares of £1 each were issued for a total consideration of £200,000 on 1st April 1995.

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31ST MARCH 1996

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of the company's affairs and of the loss for that period. In preparing these accounts the directors are 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 accounts;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The directors are 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 the accounts comply with the Companies Act 1985. They are 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

The Auditors, Sayers Butterworth, were appointed first auditors of the company and have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

This report was approved by the board on 24.7.96 and signed on its behalf.



S J Davies
Secretary

AUDITORS' REPORT TO THE

MEMBERS OF SHROPSHIRE CAREERS SERVICE LIMITED (formerly Broomco (869) Limited)

We have audited the accounts on pages 5 to 11, which have been prepared under the historical cost convention, and the accounting policies set out on page 7.

Respective Responsibilities of the Directors and Auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

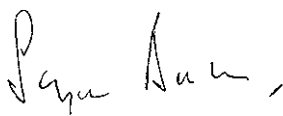
Basis of Opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Sayers Butterworth
Chartered Accountants
and Registered Auditors
18 Bentinck Street
London
W1M 5RL
31st July 1996

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST MARCH 1996

	Notes	1996 £
Turnover	2	1,806,784
Cost of sales		(1,399,791)
Gross Profit		406,993
Administrative expenses		(414,962)
Other income		1,585
Operating Loss	3	(6,384)
Interest receivable		1,258
Loss for the Financial Period		(5,126)

All amounts relate to continuing activities.

There were no recognised gains and losses for 1996 other than those included in the profit and loss account.

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

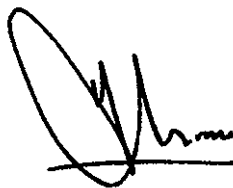
BALANCE SHEET

AS AT 31ST MARCH 1996

	Notes	1996 £	£
Fixed Assets			
Tangible assets	6		178,065
Current Assets			
Debtors and prepayments	7	178,210	
Cash at bank and in hand		76,891	
		<u>255,101</u>	
Creditors: Amounts falling due within one year	8	238,292	
Net Current Assets			<u>16,809</u>
Total Assets Less Current Liabilities			<u>194,874</u>
Capital and Reserves			
Share capital - equity	9		1,000
Share premium account	10		199,000
Profit and loss account	10		(5,126)
Shareholders' Funds	11		<u>194,874</u>

These accounts were approved by the board on 24.7.96 and signed on its behalf.

M J Lowe
 Director



SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for services provided, excluding VAT.

Depreciation

Depreciation is calculated to write down the cost of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Furniture and equipment - 20% per annum
Computer hardware - 25 % per annum
Computer software - 33 1/3% per annum

Contribution to Pension Funds

The company makes contributions on behalf of its employees to the Shropshire County Council Pension Fund, a defined benefits scheme.

The pension costs charged against profits are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees in the scheme, so as to ensure that the regular pension cost represents a substantially level percentage of the current and expected future pensionable payroll.

2 Turnover

The turnover and operating loss for the period was derived from the company's principal activity as was carried out wholly in the UK.

3 Operating Loss

The operating loss is stated after charging or crediting:

	1996
	£
Depreciation	42,651
Auditors' remuneration	6,500

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

4 Directors and Employees

Staff costs, including director's remuneration, were as follows:

	1996 £
Wages and salaries	1,125,905
Social security costs	82,889
Pension costs	98,628
Other costs	10,792
	<hr/>
	1,318,214
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Director's remuneration

	1996 £
Director's remuneration	31,254
Director's national insurance contributions	2,738
Pension costs	2,969
Other costs	7,974
	<hr/>
	44,935
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The Director's Remuneration relates solely to the salary of the Chief Executive. None of the other directors received any remuneration.

During the period he held the office of director, T D Peck received £7,974, invoiced to the company by Shropshire County Council.

5 Taxation

No provision in respect of corporation tax has been made because, since incorporation, the company has only made taxable losses.

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

6 Tangible Fixed Assets

	Freehold Land and Buildings	Furniture and Equipment	Computer Equipment	Total
Cost	£	£	£	£
Additions	40,000	50,564	130,152	220,716
At 31st March 1996	40,000	50,564	130,152	220,716
Depreciation				
Charge for the period	-	10,113	32,538	42,651
At 31st March 1996	-	10,113	32,538	42,651
Net Book Value				
At 31st March 1996	40,000	40,451	97,614	178,065

7 Debtors

	1996
	£
Trade debtors	146,578
Other debtors	7,969
Prepayments and accrued income	23,663
	178,210

8 Creditors: Amounts Falling Due Within One Year

	1996
	£
Trade creditors	117,681
Other taxes and social security	34,420
Other creditors	9,584
Accruals and deferred income	76,607
	238,292

SHROPSHIRE CAREERS SERVICE LIMITED
(formerly Broomco (869) Limited)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

9	Share Capital		1996 £
	Equity Shares		
	Authorised ordinary shares of £1 each		1,000
	Issued and fully paid ordinary shares of £1 each		1,000
	Two ordinary shares of £1 each were issued at par on incorporation on 22nd November 1994 and a further 998 ordinary shares were issued on 1st April 1995 for a total consideration of £200,000.		
10	Share Premium Account and Reserves		
		Share Premium Account	Profit and Loss Account
		£	£
	Loss for the period	-	(5,126)
	Premium on allotment	199,000	-
	At 31st March 1996	199,000	(5,126)
11	Reconciliation of Shareholders Funds		1996 £
	Loss for the financial period		(5,126)
	Issue of share capital		200,000
	Increase in the shareholders' funds		194,874
	Opening shareholders' funds		-
	Closing shareholders' funds		194,874
12	Operating Lease Commitments		1996 £
	The company had operating lease commitments in respect of leasehold properties as follows:		
	Within one year		18,500
	Between two and five years		29,500
			48,000

SHROPSHIRE CAREERS SERVICE LIMITED
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NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST MARCH 1996

13 Capital Commitments

The company had the following capital commitments:

Capital expenditure contracted for

1996

£

18,325

14 Related Party Transactions

a) Shropshire County Council

Shropshire County Council holds 50% of the company's issued share capital.

During the period, the company acquired fixed assets from Shropshire County Council for a cost of £100,000. Shropshire County Council also provides payroll and sundry administrative services for the company and at the end of the period, there was a liability of £114,700 (disclosed in Trade Creditors) due to the Council in respect of the payroll. These transactions were undertaken on normal commercial terms.

b) Shropshire Training and Enterprise Council Limited

Shropshire Training and Enterprise Council Limited holds 50% of the company's issued share capital and three of the company's directors (S T Jury, M J Lowe and T Chadwick) are also directors of that company.

During the period, the company acquired fixed assets from Shropshire Training and Enterprise Council Limited at a cost of £100,000. The company also made sales amounting to £227,750 in the period under various contracts with Shropshire Training and Enterprise Council Limited, of which a balance of £9,310 (included in Trade Debtors) was still outstanding at the period end. These transactions were undertaken on normal commercial terms.