

COMPASS LIMITED

FINANCIAL STATEMENTS

for the year ended

31 December 2000



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COMPANIES HOUSE

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03/07/01

Company Registration No. 01714804

COMPASS LIMITED

COMPANY INFORMATION

Directors	J Stembridge D Toop O S Soderblom
Secretary	D Toop
Company number	01714804
Registered office	Compass House 60 Priestley Road Guildford Surrey, GU2 5YU
Auditors	Baker Tilly 12 Gleneagles Court Brighton Road Crawley West Sussex RH10 6AD
Business address	Compass House 60 Priestley Road Guildford Surrey, GU2 5YU

COMPASS LIMITED

CONTENTS

	Page
Directors' report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 9

COMPASS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and financial statements for the year ended 31 December 2000.

Principal activities

The principal activity of the company is that of a computer ware and software house.

Directors

The following directors have held office since 1 January 2000:

J Stembridge
D Toop
O S Soderblom

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2000	1 January 2000
J Stembridge	1	1
D Toop	-	-
O S Soderblom	-	-

Mr J Stembridge holds 1 ordinary share as a nominee of Compass Holding B.V.

Auditors

Following a merger on 1 July 2000, Fraser Russell changed their name to Baker Tilly, and the auditors' report has been signed in this new name. In accordance with section 385 of the Companies Act 1985, a resolution proposing that Baker Tilly be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities

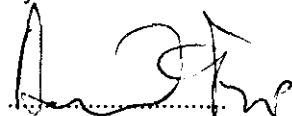
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 that the financial statements 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



D Toop

Director

28/6/01.....

COMPASS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF COMPASS LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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.

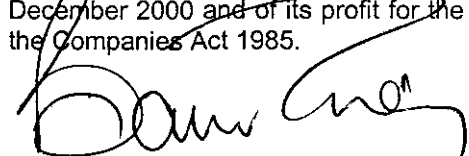
Basis of opinion

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 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Baker Tilly

Chartered Accountants
Registered Auditors

28/6/01

12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD

COMPASS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Notes	2000 £	1999 £
Turnover		3,688,223	4,079,426
Cost of sales		(2,422,396)	(2,814,254)
Gross profit		1,265,827	1,265,172
Administrative expenses		(1,265,691)	(1,338,974)
Other operating income		230,896	169,413
Operating profit	2	231,032	95,611
Other interest receivable and similar income		1,157	1,845
Interest payable and similar charges	3	(282)	(5,286)
Profit on ordinary activities before taxation		231,907	92,170
Tax on profit on ordinary activities	4	(75,000)	(38,437)
Profit on ordinary activities after taxation	11	156,907	53,733

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

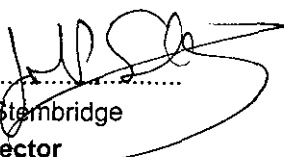
COMPASS LIMITED

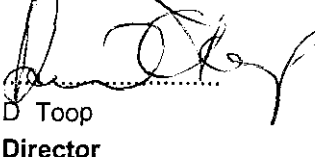
BALANCE SHEET AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	5		93,697		103,829
Current assets					
Stocks		-		10,000	
Debtors	6	1,308,242		782,495	
Cash at bank and in hand		335,937		247,945	
		<u>1,644,179</u>		<u>1,040,440</u>	
Creditors: amounts falling due within one year	7	<u>(1,383,604)</u>		<u>(946,904)</u>	
Net current assets			<u>260,575</u>		<u>93,536</u>
Total assets less current liabilities			<u>354,272</u>		<u>197,365</u>
Creditors: amounts falling due after more than one year	8		<u>(86,033)</u>		<u>(86,033)</u>
			<u>268,239</u>		<u>111,332</u>
Capital and reserves					
Called up share capital	10		1,000		1,000
Profit and loss account	11		267,239		110,332
Shareholders' funds - equity interests	12		<u>268,239</u>		<u>111,332</u>

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

The financial statements were approved by the Board on 22/11/01


J Stenbridge
Director


D Toop
Director

COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

1.2 Turnover

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

1.3 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	33 1/3% Straight line
Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and 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 on the net obligation outstanding in each period.

1.5 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.6 Pensions

Pension contributions are charged to the profit and loss accounts as incurred. These contributions are invested separately from the company's assets.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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 balance sheet 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 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	60,474	50,730
Auditors' remuneration	8,250	7,500
Directors' emoluments	157,942	176,409

COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

3	Interest payable	2000	1999
		£	£
	On bank loans and overdrafts	-	219
	Hire purchase interest	-	4,954
	On overdue tax	282	113
		<u>282</u>	<u>5,286</u>
4	Taxation	2000	1999
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 20% (1999 - 20%)	75,000	33,000
	Prior years		
	U.K. corporation tax	-	5,437
		<u>75,000</u>	<u>38,437</u>

COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

5 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2000	120,174	165,765	32,268	318,207
Additions	52,161	2,516	-	54,677
Disposals	(73,535)	-	(22,244)	(95,779)
At 31 December 2000	98,800	168,281	10,024	277,105
Depreciation				
At 1 January 2000	92,087	96,214	26,078	214,379
On disposals	(73,535)	-	(17,909)	(91,444)
Charge for the year	45,301	14,413	759	60,473
At 31 December 2000	63,853	110,627	8,928	183,408
Net book value				
At 31 December 2000	34,947	57,654	1,096	93,697
At 31 December 1999	28,089	69,551	6,189	103,829

6 Debtors

	2000 £	1999 £
Trade debtors	12,253	6,064
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,178,328	674,286
Other debtors	117,661	102,145
	<u>1,308,242</u>	<u>782,495</u>

COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

7	Creditors: amounts falling due within one year	2000	1999
		£	£
	Trade creditors	299,253	225,082
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	574,561	393,645
	Taxation and social security	183,371	89,441
	Other creditors	326,419	238,736
		<u>1,383,604</u>	<u>946,904</u>
8	Creditors: amounts falling due after more than one year	2000	1999
		£	£
	Other creditors	<u>86,033</u>	<u>86,033</u>
	Analysis of loans		
	Wholly repayable within five years	<u>86,033</u>	<u>86,033</u>
	Loan maturity analysis		
	Between one and two years	395,000	395,000
	Between two and five years	<u>86,033</u>	<u>86,033</u>

Included in other creditors are amounts of £86,033 owed to the Parent undertaking (1999: £86,033).

9 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £66,322, (1999 - £58,880).

10	Share capital	2000	1999
		£	£
	Authorised		
	100,000 Ordinary shares of £ 1 each	<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>

COMPASS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2000	110,332
Retained profit for the year	156,907
Balance at 31 December 2000	267,239

12 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	156,907	53,733
Opening shareholders' funds	111,332	57,599
Closing shareholders' funds	268,239	111,332

13 Related party transactions

The Directors regard Compass Holding BV, a company incorporated in the Netherlands, as this company's parent but are not aware of the existence or identity of any ultimate controlling party. Details of transactions with other group companies are given below:

	Sales £	Royalties £	Trade Mark Royalties £
Compass America Inc	805,898	28,412	106,863
Compass Australia Pty Ltd	95,502	4,090	-
Compass Analysis Canada Ltd	357,831	10,009	-
Compass Analysis SA	571,827	25,974	-
Compass Deutschland GmbH	365,906	15,994	65,363
Compass Analysis UK Ltd	751,937	30,210	120,843
Nordic Compass Analysis AB	192,023	7,319	-
Compass Holding BV	2,250	-	-

	Costs £	Trade Mark Royalties £
Compass America Inc	5,732	-
Compass Analysis Canada Ltd	11,368	-
Compass Analysis UK Ltd	12,200	-
Nordic Compass Analysis AB	7,362	-
Compass Deutschland GmbH	32,736	-
Compass International BV	-	183,166