

THE CONSULTANCY CORPORATION PLC

FINANCIAL STATEMENTS

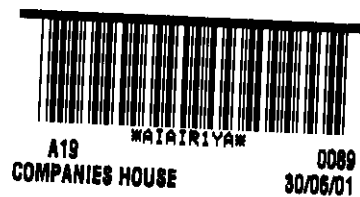
31 OCTOBER 2000

Registered number: 2027199

PHILIP THOMAS

CHARTERED CERTIFIED ACCOUNTANTS

Reading



THE CONSULTANCY CORPORATION PLC

FINANCIAL STATEMENTS

for the period ended 31 October 2000

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The following pages do not form part of the statutory accounts

Trading and profit and loss account	Appendix 1
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THE CONSULTANCY CORPORATION PLC

COMPANY INFORMATION

31 October 2000

INCORPORATED	in England on 11 June 1986
COMPANY NUMBER	2027199
CHAIRMAN	Wilfred Eaton
OTHER DIRECTOR	Donald Richard Hornblow
SECRETARY	Mrs Catherine Frances Hornblow
REGISTERED OFFICE	Mountbarrow House 12 Elizabeth Street London SW1W 9RB
BANKERS	Lloyds TSB Bank plc PO Box 2566 Reading Berks RG1 2RS
AUDITORS	Philip Thomas Chartered Certified Accountants Penvose House Broad Lane Upper Bucklebury Reading Berks RG7 6QH

THE CONSULTANCY CORPORATION PLC**DIRECTORS' REPORT****31 October 2000**

The directors present their report and the audited financial statements for the period ended 31 October 2000.

Principal activity

The principal activity of the company was the provision of a range of services to mainframe computer users centred on staff supply.

Directors

The directors of the company during the period and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31 October 2000	1 April 2000
	Ordinary shares	Ordinary shares
Wilfred Eaton	23,353	21,270
Donald Richard Hornblow	22,749	22,749

Charitable and political donations

Payments of a charitable nature made during the period amounted to £370.

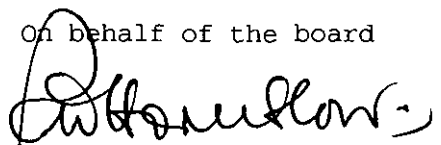
Auditors

Philip Thomas have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

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

On behalf of the board



Mr Donald Richard Hornblow
Director

Mountbarrow House
12 Elizabeth Street
London
SW1W 9RB

30 May 2001

THE CONSULTANCY CORPORATION PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

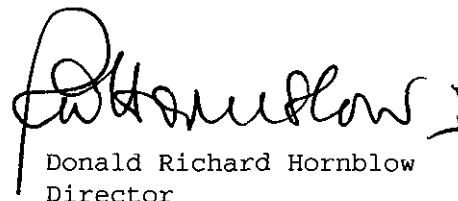
Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and 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.

30 May 2001

On behalf of the board



Donald Richard Hornblow
Director

THE CONSULTANCY CORPORATION PLC**AUDITORS' REPORT****Auditors' report to the members of****The Consultancy Corporation Limited**

We have audited the financial statements 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 directors and auditors

As described on page 3, 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.

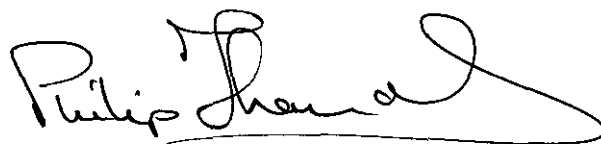
Basis of opinion

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 error or other irregularity. 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 October 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Philip Thomas
Registered Auditor
Chartered Certified Accountants

Reading
30 May 2001

THE CONSULTANCY CORPORATION PLC

PROFIT AND LOSS ACCOUNT

for the period ended 31 October 2000

	Note	2000 £	2000 £
Turnover	2	2,415,429	6,319,273
Cost of sales		(2,048,630)	(5,529,474)
Gross profit		366,799	789,799
Net operating expenses			
Distribution costs		(8,605)	(16,575)
Administrative expenses		(278,060)	(523,881)
Other operating income		526	880
Profit on ordinary activities before taxation		80,660	250,223
Taxation	5	(17,470)	(52,662)
Profit on ordinary activities after taxation		63,190	197,561
Dividends	6	(83,408)	(26,183)
Retained (loss)/profit for the period 13		(20,218)	171,378

Movements in reserves are shown in the notes to the financial statements.

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

There were no recognised gains and losses in the period or the previous year other than the (loss)/profit for the period.

THE CONSULTANCY CORPORATION PLC

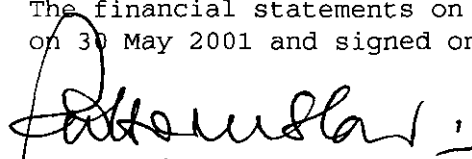
BALANCE SHEET

at 31 October 2000

	Note	2000 £	2000 £
Fixed assets			
Tangible assets	7	10,983	17,581
Current assets			
Debtors	8	753,401	912,456
Cash at bank and in hand		103,681	203,219
		<u>857,082</u>	<u>1,115,675</u>
Creditors: amounts falling due within one year	9	(488,109)	(733,080)
Net current assets		<u>368,973</u>	<u>382,595</u>
Total assets less current liabilities		<u>379,956</u>	<u>400,176</u>
Capital and reserves			
Called up share capital	11	50,000	50,000
Share premium account	12	1,250	1,250
Profit and loss account	13	328,706	348,926
Total shareholders' funds	10	<u>379,956</u>	<u>400,176</u>

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

The financial statements on pages 5 to 11 were approved by the board of directors on 30 May 2001 and signed on its behalf by:


Donald Richard Hornblow
Director

THE CONSULTANCY CORPORATION PLC**NOTES ON FINANCIAL STATEMENTS**

31 October 2000

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	- over 14 years
Office equipment	- 15% on cost
Computer equipment	- 33% on cost
Fixtures and fittings	- 15% on cost

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Pensions - Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Research and Development

Expenditure incurred in developing systems and methodologies for generating future income streams will be carried forward and written off over the estimated future period the income will be generated.

2 Turnover

In the opinion of the directors, 8% of the turnover of the company is attributable to geographical markets outside the UK (2000 5%).

THE CONSULTANCY CORPORATION PLC

NOTES ON FINANCIAL STATEMENTS

31 October 2000

3 Operating profit

	2000 £	2000 £
Operating profit is stated after crediting:		
Interest receivable	526	880
Profit on foreign exchange	1,497	-
	<u> </u>	<u> </u>
and after charging:		
Auditors' remuneration	1,800	1,800
Operating leases:		
Rent	6,563	11,250
Loss on foreign exchange	-	7,594
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 7):		
Owned assets	1,570	2,346
	<u> </u>	<u> </u>

4 Directors

	2000 £	2000 £
Directors' emoluments	52,934	108,245
	<u> </u>	<u> </u>
During the period the following number of directors accrued retirement benefits under:	Number	Number
Money purchase pension schemes	1	1
	<u> </u>	<u> </u>

Defined contribution pension scheme

The company operates a defined contribution 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 £7,000 (2000 £13,500).

5 Taxation

	2000 £	2000 £
UK Corporation tax:		
Current tax on income for the period at 20% (2000 20%)	17,470	52,662
	<u> </u>	<u> </u>

6 Dividends

	2000 £	2000 £
Equity - ordinary/interim	83,408	26,183
	<u> </u>	<u> </u>

THE CONSULTANCY CORPORATION PLC

NOTES ON FINANCIAL STATEMENTS

31 October 2000

7 Tangible fixed assets

	Land and Buildings £	Plant and Machinery etc £	Total £
Cost			
1 April 2000	16,445	58,870	75,315
Disposals	-	(327)	(327)
31 October 2000	16,445	58,543	74,988
Depreciation			
1 April 2000	4,023	53,711	57,734
Charge for the period	335	1,235	1,570
31 October 2000	4,358	54,946	59,304
Net book amount			
31 October 2000	7,386	3,597	10,983
1 April 2000	12,422	5,159	17,581

8 Debtors

	2000 £	2000 £
Amounts falling due within one year		
Trade debtors	634,998	828,643
Amounts owed by group undertakings and undertakings in which the company has a participating interest	2,464	-
Other debtors	115,939	83,813
	753,401	912,456

The company has an Invoice Discounting facility with Lloyds TSB Commercial Finance. The funds in use at 31 October 2000 were fnil (2000 fnil). The company has given a debenture over all of its assets as security for funds advanced under the facility.

THE CONSULTANCY CORPORATION PLC

NOTES ON FINANCIAL STATEMENTS

31 October 2000

9 Creditors: amounts falling due within one year

	2000 £	2000 £
Bank overdrafts	-	19,444
Trade creditors	342,410	528,055
Corporation tax	69,812	59,753
Other taxation and social security	34,998	28,977
Other creditors	40,889	96,851
	<u>488,109</u>	<u>733,080</u>

10 Reconciliation of movements in shareholders' funds

	2000 £	2000 £
Profit for the financial period	63,190	197,561
Dividends	(83,408)	(26,183)
Net (subtraction from)/addition to shareholders' funds	(20,218)	171,378
Opening shareholders' funds	400,174	228,798
Closing shareholders' funds	<u>379,956</u>	<u>400,176</u>

11 Called up share capital

	2000		2000	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary share capital	<u>97,000</u>	<u>97,000</u>	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid				
Ordinary share capital	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

THE CONSULTANCY CORPORATION PLC

NOTES ON FINANCIAL STATEMENTS

31 October 2000

12 Share premium account

2000
£

1 April 2000

and

31 October 2000

1,250

13 Profit and loss account

2000
£

1 April 2000

Retained loss for the period

348,924

(20,218)

31 October 2000

328,706

14 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 October 2001:

	2000 Plant & Other £	2000 Plant & Other £
Expiring		
Within one year	23,604	23,678
Within two to five years	17,156	4,804
	<u>40,760</u>	<u>28,482</u>