

ADVANCED PROFESSIONAL SOLUTIONS LIMITED
FINANCIAL STATEMENTS
FOR
30 JUNE 2002

Company Registration Number 03081021



CONDY MATHIAS
Chartered Accountants & Registered Auditors
6 Houndiscombe Road
Plymouth
Devon
PL4 6HH

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

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ADVANCED PROFESSIONAL SOLUTIONS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	B Coventry I N Davidson J E Phillipson S P Nicholls Ms S C Compton
Company secretary	B Coventry
Registered office	Atrium Court The Ring Bracknell Berkshire RG12 1BW
Auditors	Condy Mathias Chartered Accountants & Registered Auditors 6 Houndiscombe Road Plymouth Devon PL4 6HH
Bankers	Lloyds TSB Threadneedle Street London

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

The directors present their report and the financial statements of the company for the period from 1 January 2001 to 30 June 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Until 5th October 2001 the Company's principal activity was that of an investment holding company. The Company's principal activity from 5th October 2001 is the supply of software to the accounting profession.

On 5th October 2001, the trade and assets of FDS Professional Solutions Limited were transferred to the Company.

The Company elected to alter its Accounting Reference Date to 30th June in line with the ultimate parent company.

RESULTS AND DIVIDENDS

The trading results for the period, and the company's financial position at the end of the period are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the period were as follows:

B Coventry
I N Davidson
J E Phillipson
S P Nicholls
Ms S C Compton

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the parent company.

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 at the end of the period and of the profit or loss for the period then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

THE DIRECTORS' REPORT *(continued)*

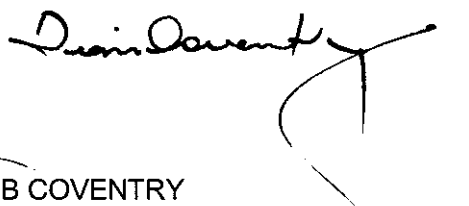
PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

AUDITORS

A resolution to re-appoint Condry Mathias as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Atrium Court
The Ring
Bracknell
Berkshire
RG12 1BW

Signed by order of the directors



B COVENTRY
Company Secretary

Approved by the directors on *28th February 2003* .

ADVANCED PROFESSIONAL SOLUTIONS LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS** *(continued)***PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002**

We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

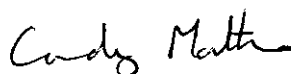
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 30 June 2002 and of the loss of the company for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



CONDY MATHIAS
Chartered Accountants
& Registered Auditors

6 Houndiscombe Road
Plymouth
Devon
PL4 6HH

...28/4/2003.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002**

	Note	Period to 30 Jun 02 £	Year to 31 Dec 00 £
Turnover	2	294,853	—
Cost of sales		<u>130,838</u>	—
Gross profit		164,015	—
Distribution Costs		14,538	—
Administrative expenses		<u>172,643</u>	—
Operating loss	3	(23,166)	—
Interest receivable		5	—
Interest payable	6	<u>(6,498)</u>	—
Loss on ordinary activities before taxation		(29,659)	—
Tax on loss on ordinary activities		—	—
Loss for the financial period		(29,659)	—
Balance brought forward		<u>(450)</u>	(450)
Balance carried forward		<u>(30,109)</u>	<u>(450)</u>

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as continuing.

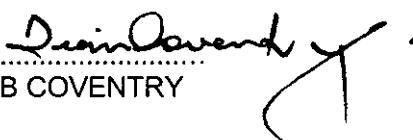
ADVANCED PROFESSIONAL SOLUTIONS LIMITED

BALANCE SHEET

30 JUNE 2002

	Note	30 Jun 02 £	£	31 Dec 00 £	£
Fixed assets					
Intangible assets	7		—		—
Tangible assets	8		3,784		—
			<u>3,784</u>		<u>—</u>
Current assets					
Stocks	9	5,600		—	
Debtors	10	86,075		—	
Investments	11	1,997		1,997	
Cash at bank and in hand		84,545		4	
		<u>178,217</u>		<u>2,001</u>	
Creditors: Amounts falling due within one year	12	<u>212,106</u>		<u>2,447</u>	
Net current liabilities			<u>(33,889)</u>		<u>(446)</u>
Total assets less current liabilities			<u>(30,105)</u>		<u>(446)</u>
Capital and reserves					
Called-up equity share capital	14		4		4
Profit and Loss Account			<u>(30,109)</u>		<u>(450)</u>
Deficiency	15		<u>(30,105)</u>		<u>(446)</u>

These financial statements were approved by the directors on the 25/2/02 and are signed on their behalf by:


B COVENTRY

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

CASH FLOW STATEMENT

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

	Period to 30 Jun 02 £	£	Year to 31 Dec 00 £	£
Net cash inflow from operating activities		97,360		—
Returns on investments and servicing of finance				
Interest received	5		—	
Interest paid	<u>(6,498)</u>		<u>—</u>	
Net cash outflow from returns on investments and servicing of finance		(6,493)		—
Capital expenditure				
Payments to acquire tangible fixed assets	<u>(6,326)</u>		<u>—</u>	
Net cash outflow from capital expenditure		(6,326)		—
Increase in cash		<u>84,541</u>		<u>—</u>

Reconciliation of operating loss to net cash outflow from operating activities

	Period to 30 Jun 02 £	Year to 31 Dec 00 £
Operating loss	(23,166)	—
Depreciation	2,542	—
Increase in stocks	(5,600)	—
Increase in debtors	(86,075)	—
Increase in creditors	209,659	—
Net cash inflow from operating activities	<u>97,360</u>	<u>—</u>

Reconciliation of net cash flow to movement in net funds

	30 Jun 02 £	31 Dec 00 £
Increase in cash in the period	<u>84,541</u>	<u>—</u>
Movement in net funds in the period	<u>84,541</u>	<u>—</u>
Net funds at 1 January 2001	4	4
Net funds at 30 June 2002	<u>84,545</u>	<u>4</u>

The notes on pages 9 to 15 form part of these financial statements.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED**CASH FLOW STATEMENT** *(continued)***PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002****Analysis of changes in net funds**

	At 1 Jan 2001 £	Cash flows £	At 30 Jun 2002 £
Net cash:			
Cash in hand and at bank	4	84,541	84,545
Net funds	<u>4</u>	<u>84,541</u>	<u>84,545</u>

The notes on pages 9 to 15 form part of these financial statements.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002**

1. Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Patents and trademarks

The company trademark is stated at cost after any permanent diminution in value.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 20% reducing balance
Equipment	- 100% straight line in the year of acquisition

Work in progress

Work in progress is valued on the basis of direct costs incurred on contracts less provision made against costs which are not likely to be recognised as revenues in a future period. No element of profit is included in the valuation of work in progress.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Period to 30 Jun 02 £	Year to 31 Dec 00 £
United Kingdom	<u>294,853</u>	<u>-</u>

3. Operating loss

Operating loss is stated after charging/(crediting):

	Period to 30 Jun 02 £	Year to 31 Dec 00 £
Depreciation	2,542	-
Auditors' remuneration		
- as auditors	1,100	-
Operating lease costs:		
Land and buildings	8,420	-
Plant and equipment	404	-
Vehicles	1,470	-
Net profit on foreign currency translation	<u>(121)</u>	<u>-</u>

4. Particulars of employees

The average number of staff employed by the company during the financial period amounted to:

	Period to 30 Jun 02 No.	Year to 31 Dec 00 No.
Number of administrative staff	1	-
Number of support	1	-
Number of consulting staff	2	-
Number of Advance sales	1	-
	<u>5</u>	<u>-</u>

The aggregate payroll costs of the above were:

	Period to 30 Jun 02 £	Year to 31 Dec 00 £
Wages and salaries	155,816	-
Social security costs	16,134	-
Other pension costs	3,376	-
Other pension costs	1,507	-
	<u>176,833</u>	<u>-</u>

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	Period to 30 Jun 02	Year to 31 Dec 00
	£	£
Emoluments receivable	53,656	-
Value of company pension contributions to money purchase schemes	1,507	-
	<u>55,163</u>	<u>-</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	Period to 30 Jun 02	Year to 31 Dec 00
	No.	No.
Money purchase schemes	<u>1</u>	<u>-</u>

6. Interest payable

	Period to 30 Jun 02	Year to 31 Dec 00
	£	£
Other similar charges payable	<u>6,498</u>	<u>-</u>

7. Intangible fixed assets

	Patents and trademarks £
Cost	
At 1 January 2001 and 30 June 2002	<u>450</u>
Amortisation	
At 1 January 2001	<u>450</u>
At 30 June 2002	<u>450</u>
Net book value	
At 30 June 2002	<u>-</u>
At 31 December 2000	<u>-</u>

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

8. Tangible fixed assets

	Fixtures & Fittings £	Equipment £	Total £
Cost			
Additions	281	6,045	6,326
At 30 June 2002	<u>281</u>	<u>6,045</u>	<u>6,326</u>
Depreciation			
Charge for the period	3	2,539	2,542
At 30 June 2002	<u>3</u>	<u>2,539</u>	<u>2,542</u>
Net book value			
At 30 June 2002	<u>278</u>	<u>3,506</u>	<u>3,784</u>
At 31 December 2000	<u>-</u>	<u>-</u>	<u>-</u>

9. Stocks

	30 Jun 02 £	31 Dec 00 £
Work in progress	<u>5,600</u>	<u>-</u>

10. Debtors

	30 Jun 02 £	31 Dec 00 £
Trade debtors	78,747	-
Other debtors	3,578	-
Prepayments and accrued income	3,750	-
	<u>86,075</u>	<u>-</u>

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

11. Investments

	30 Jun 02	31 Dec 00
	£	£
Other investments	<u>1,997</u>	<u>1,997</u>

The company owns 30% of the issued share capital of FDS Professional Solutions Limited.

Other investments relates to capitalised legal fees incurred on formation.

Aggregate capital and reverses	2002	2000
	£	£
FDS Professional Solutions Limited	—	(482,000)

Profit and (loss) for the year		
FDS Professional Solutions Limited	—	(306,000)

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

12. Creditors: Amounts falling due within one year

	30 Jun 02	31 Dec 00
	£	£
Trade creditors	2,130	—
Amounts owed to group undertakings	143,279	—
Other creditors including taxation and social security:		
PAYE and social security	22,064	—
VAT	6,486	—
Other creditors	5,827	—
Directors current accounts	2,447	2,447
Accruals and deferred income	29,873	—
	<u>212,106</u>	<u>2,447</u>

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

13. Related party transactions

Included within creditors: amounts falling due within one year are the following;

- a director's loan of £2,447 (2000 £2,447). This loan is interest free and repayable on demand.

- an amount of £77,547 from Stockford Central Services Pty Limited which is a wholly owned subsidiary of the Parent Company, Stockford Limited. The amount relates to the sum paid by Stockford Central Services Pty Limited on behalf of APS Limited for the transfer of trade debtors and pre-paid salaries from Financial Data Systems Limited and also includes interest charged to 30 June 2002.

- an amount of £7,181 payable to APS Pty Ltd which is a wholly owned subsidiary of the Parent Company, Stockford Limited. The amount relates to inter company transfers in the period.

- an amount of £58,551 payable to APS (NZ) Ltd which is a wholly owned subsidiary of the Parent Company, Stockford Limited. The amount relates to Royalties charged for the period.

14. Share capital

Authorised share capital:

	30 Jun 02	31 Dec 00
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	30 Jun 02	31 Dec 00
	No £	No £
Ordinary shares of £1 each	<u>4 4</u>	<u>4 4</u>

15. Reconciliation of movements in shareholders' funds

	30 Jun 02	31 Dec 00
	£	£
Loss for the financial period	(29,659)	-
Opening shareholders' equity deficit	<u>(446)</u>	(446)
Closing shareholders' equity deficit	<u>(30,105)</u>	<u>(446)</u>

16. Post balance sheet events

On 7th March 2003 the APS management team announced it had settled a management buyout (MBO) from Stockford Limited (Administrators appointed). The Management team owns more than 90% of the equity of the MBO company with the balancing interest placed with international investors.

17. Ultimate parent company

The ultimate parent company is Stockford Limited, a company incorporated in Australia.

The financial statements of the ultimate parent company are available to the public.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

17. Going concern

As at the period end the company's balance sheet shows net current liabilities of £33,889 and an overall deficiency of assets amounting £30,105.

Accordingly the directors have had to consider the basis upon which the accounts should be drawn up and determine whether a going concern basis remains appropriate. In the opinion of the directors the accounts have been prepared on a going concern basis for the following reasons:

- Stockford Central Services Pty Limited have agreed that they will not seek the repayment of the inter company loan within the next twelve months if this will prevent APS Ltd meeting its other liabilities as they fall due within this period.
- The Directors have also prepared budgets and forecasts for the next twelve months and in their opinion the company will reduce the balance sheet deficiency and start to return positive results for the next financial period.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

MANAGEMENT INFORMATION

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

The following page does not form part of the statutory financial statements
which is the subject of the auditors' report on page 4.

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

	Period to 30 Jun 02 £	£	Year to 31 Dec 00 £	£
Turnover				
Licence fees		94,618		-
Dealers		4,604		-
Consulting revenue		100,380		-
Support		95,251		-
		<u>294,853</u>		-
Cost of sales				
Royalties	58,550		-	
Direct wages	66,214		-	
Pension contributions	2,241		-	
Other COS direct costs	5,033		-	
Consulting costs	4,400		-	
	<u>136,438</u>		-	
Closing stock and WIP	(5,600)		-	
		<u>(130,838)</u>		-
Gross profit		<u>164,015</u>		-
Overheads				
Commissions	14,538		-	
Directors salaries	53,656		-	
Directors pensions	1,507		-	
Wages and salaries	35,946		-	
Staff NIC	16,134		-	
Staff pension contributions	1,135		-	
Rent	8,420		-	
Insurance	389		-	
Motor expenses	819		-	
Travel and subsistence	13,651		-	
Vehicle leasing charges	1,470		-	
Telephone	5,141		-	
Call centre	1,150		-	
Equipment leasing charges	404		-	
Equipment consumables	547		-	
Printing, stationery and postage	2,438		-	
Staff training	1,778		-	
Staff welfare	1,303		-	
Recruitment	7,750		-	
Client conference	1,214		-	
Sundry expenses	1,623		-	
Brochures and publications	77		-	
General expenses	388		-	
General insurance	1,777		-	
Marketing	5,073		-	
Entertaining	2,024		-	
Legal and professional fees	500		-	
Consultancy	780		-	
Accountancy fees	923		-	
	<u>182,555</u>	<u>(164,015)</u>		
Carried forward				

ADVANCED PROFESSIONAL SOLUTIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

PERIOD FROM 1 JANUARY 2001 TO 30 JUNE 2002

	Period to 30 Jun 02		Year to 31 Dec 00	
	£	£	£	£
Brought forward	182,555	(164,015)		
Auditors remuneration	1,100		—	
Depreciation of fixtures and fittings	3		—	
Depreciation of office equipment	2,539		—	
Bad debts written off	668		—	
Bank charges	437		—	
Foreign currency gains/losses	(121)		—	
		187,181		—
Operating loss		(23,166)		—
Bank interest receivable		5		—
		(23,161)		—
Interest on other loans		6,498		—
Loss on ordinary activities		(29,659)		—