

ARBORTRACK SYSTEMS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30TH JUNE 1997

Company No. 3213402 (England and Wales)



ARBORTRACK SYSTEMS LIMITED
REPORT OF THE ACCOUNTANTS
TO THE SHAREHOLDERS OF
ON THE ABBREVIATED FINANCIAL STATEMENTS OF
ARBORTRACK SYSTEMS LIMITED

The following reproduces the text of the report prepared for the purposes of Section 249A(2) of the Companies Act 1985 in respect of the Company's annual financial statements, from which the abbreviated financial statements (set out on pages 1 to 5) have been prepared.

"We report on the financial statements for the period ended 30th June 1997 set out on pages 2 to 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on pages 3 and 4, the Company's Directors are responsible for the preparation of financial statements, and they consider that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:-

- (1) the financial statements are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985;
- (2) having regard only to, and on the basis of, the information contained in those accounting records;
 - (a) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act, and

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(continued)

- (b) the Company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of Companies not entitled to the exemption specified in Section 249B(1)."

Flemons & Co.

Flemons & Co.,
Chartered Accountants,
KENILWORTH, Warks.
CV8 1LQ.

31st March 1998.

ARBORTRACK SYSTEMS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH JUNE 1997

Assets employed:	<u>Note</u>	£	£
FIXED ASSETS	2		5,612
CURRENT ASSETS			
Bank Account		5,472	
Debtors	3	651	

		6,123	
CURRENT LIABILITIES: Amounts falling due within one year			
Trade & Sundry Creditors	4	10,159	

NET CURRENT (LIABILITIES)			(4,036)

			£ 1,576
			=====
Financed by:			
CAPITAL AND RESERVES			
Called up Share Capital			2
Reserves			1,574

SHAREHOLDERS FUNDS			£ 1,576
			=====

The Directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of Section 249(A)(2) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the Company's issued share capital have not issued a notice requiring an audit under Section 249(B) of the Companies Act 1985. The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at 30th June 1997 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the Company.

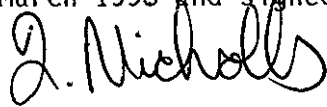
The notes on pages 3 to 5 form part of these
abbreviated financial statements

ARBORTRACK SYSTEMS LIMITED

ABBREVIATED BALANCE SHEET AS AT 31ST MAY 1997

In preparing the abbreviated financial statements, the Directors have taken advantage of the exemptions conferred by Schedule 8 Part III A of the Companies Act 1985, and have done so on the grounds that, in their opinion, the Company qualifies as a small company and is entitled to make use of the exemptions.

The abbreviated financial statements were approved by the Board on 31st March 1998 and signed on its behalf.



Q. NICHOLLS,
Director.

The notes on pages 3 to 5 form part of these
abbreviated financial statements

ARBORTRACK SYSTEMS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 1997

1. ACCOUNTING POLICIES

The Company's accounting policies are as follows:-

(a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and include the results of the Company's operations which are described in the Directors' Report and 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.

(b) TURNOVER

Turnover is the total amount (excluding VAT) receivable by the Company in the ordinary course of business for goods supplied and services rendered.

(c) DEPRECIATION

Depreciation is calculated on a straight line basis and is intended to write down the cost of fixed assets to their estimated residual values over their expected useful lives.

(d) STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost means purchase price and is calculated on a first in first out basis.

(e) DEFERRED TAXATION

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements. Provision is made for deferred taxation, except to the extent that there is a reasonable probability that the tax will not fall due for payment in the foreseeable future. Such tax not provided for is disclosed as a contingent liability.

Transfers to and from deferred taxation are calculated at the rate of corporation tax in force at the end of the year in which the transfers are made, adjusting for any changes in rate as compared with the preceding year.

ARBORTRACK SYSTEMS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH JUNE 1997, continued

2. FIXED ASSETS

	<u>Equipment</u>
COST	£
At 18th June 1996	-
Additions	5,766
(Disposals)	(-)

At 30th June 1997	5,766

DEPRECIATION	
At 18th June 1996	-
Additions	154
(Disposals)	(-)

At 30th June 1997	154

NET BOOK VALUE	
At 30th June 1997	£ 5,612
	=====

3. DEBTORS

Included in debtors of £651 is an amount of £416 owed by Capabilities Landscape and £235 owed by Arbortrack Limited which are businesses in which Mr. Q. Nicholls has shareholdings.

4. TRADE AND SUNDRY CREDITORS

	<u>1996</u>
	£
Trade Creditors	1,578
Accruals	700
Social Security and Other Taxes	7,715
Corporation Tax	166

	£ 10,159
	=====