

80997

CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1997



CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

DIRECTORS

A.M.Munro
E.J.Doyle
G.A.Strathie

COMPANY SECRETARY

W.A.Finlayson

REGISTERED OFFICE

50/52 Bernard Street
Leith
Edinburgh, EH6 6PR

REGISTERED NUMBER

80997

SOLICITORS

Murray Beith & Murray, W.S
39 Castle Street
Edinburgh, EH2 3BH

BANKERS

Bank of Scotland
38 St. Andrew Square
Edinburgh, EH2 2YR

AUDITORS

Scott Oswald
Chartered Accountants
1 Royal Terrace
Edinburgh, EH7 5AD

YEAR ENDED 31ST DECEMBER 1997

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AUDITORS' REPORT TO CASTLE COMPUTER SERVICES (EDINBURGH) UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 4 to 7 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the full financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 8 have been properly prepared in accordance with those provisions.

Scott Oswald

SCOTT OSWALD
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

EDINBURGH
29th May 1998

CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

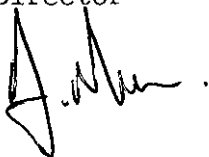
ABBREVIATED BALANCE SHEET
31ST DECEMBER 1997

	NOTE	£	£	1996 £
FIXED ASSETS				
Tangible assets	1		95,205	<u>81,998</u>
CURRENT ASSETS				
Stocks		6,517		51,120
Debtors		477,156		245,376
Cash at bank and in hand		<u>109,044</u>		-
		592,717		<u>296,496</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2	(550,689)		(<u>286,138</u>)
NET CURRENT ASSETS			<u>42,028</u>	<u>10,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			137,233	92,356
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			(<u>31,731</u>)	(<u>60,223</u>)
			<u>105,502</u>	<u>32,133</u>
Financed by:				
CAPITAL AND RESERVES				
Called-up share capital	3		17,085	17,085
Other reserves			3,015	3,015
Profit and loss account			<u>85,402</u>	<u>12,033</u>
Shareholders' funds			<u>105,502</u>	<u>32,133</u>

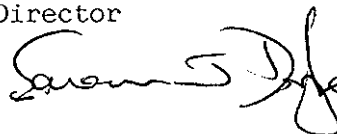
The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements were approved by the Board on 29th May 1998 and signed on its behalf by

Andrew Muir Munro
Director



Eamonn Joseph Doyle
Director



CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements are prepared in compliance with the Companies Act 1985 and under the historical cost convention.

FIXED ASSETS

Provision is made for the depreciation of fixed assets in order to write off the cost or valuation of these assets over their expected useful lives.

The annual depreciation rates and methods are as follows:

Office equipment	- 20%	straight line
Computer equipment	- 33.33%	straight line
Motor vehicles	- 25%	reducing balance

STOCK

Stocks are stated at the lower of cost and net realisable value.

Cost incurred in bringing each product to its present condition and location comprises :

Finished goods- purchase cost on a first-in, first-out basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

DEFERRED TAXATION

Provision is made for deferred taxation to the extent to which liabilities are likely to arise in the foreseeable future.

CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

ACCOUNTING POLICIES

HIRE PURCHASE COMMITMENTS

Assets financed by leasing agreements ("finance leases") are capitalised in the balance sheet and are depreciated over the shorter of the lease term or their useful lives. The present value of future rentals is shown as a liability.

The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The company operates a pension scheme for the benefit of certain of its employees. The cost of pension contributions is charged against revenue in order to recognise the expected cost of providing pensions on a systematic and rational basis over the employees' expected working lives with the company.

CASTLE COMPUTER SERVICES (EDINBURGH) LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1997

1 TANGIBLE FIXED ASSETS

	Total £
COST	
At beginning	212,300
Additions at cost	43,661
Applicable to disposals	<u>(23,156)</u>
	<u>232,805</u>
DEPRECIATION	
At beginning	130,302
Charge for the year	29,052
Released by disposals	<u>(21,754)</u>
	<u>137,600</u>
NET BOOK VALUE	<u>95,205</u>
NET BOOK VALUE AT BEGINNING	<u>81,998</u>

The net book value of £95,205 includes an amount of £73,446 in respect of assets held under hire purchases contracts.

2 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	1996 £
The following secured amounts fall due within one year:		
Bank overdraft	<u>-</u>	<u>39,483</u>

The bank overdraft is secured by a bond and floating charge over the whole assets of the company

3 SHARE CAPITAL

	£	1996 £
Authorised:		
25,000 ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
Allotted, issued and fully paid:		
17,085 ordinary shares of £1 each	<u>17,085</u>	<u>17,085</u>