

CIVIC COMPUTING LIMITED
Registered number: SC221925

Report and Financial Statements

For the period from 6 August 2001 to 31 August 2002



CIVIC COMPUTING LIMITED

Financial Statements

For the period from 6 August 2001 to 31 August 2002

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CIVIC COMPUTING LIMITED

Company Information

Directors

Dr G Jones
G Tosh
G Rouchotas

Secretaries

New Secretarial Services Limited

Registered office

39 Castle Street
Edinburgh
EH2 3BH

Registered number

SC221925

Accountants

Scott-Moncrieff
Chartered Accountants
17 Melville Street
Edinburgh
EH3 7PH

Solicitors

Murray Beith Murray WS
39 Castle Street
Edinburgh
EH2 3BH

Principal bankers

Bank of Scotland
600 Gorgie Road
Edinburgh
EH11 3PX

CIVIC COMPUTING LIMITED

Directors' Report

The directors present their annual report with the financial statements of the company for the period ended 31 August 2002.

Principal activities

The company was incorporated on 6 August 2001 as Newco (688) Limited. On 15 August 2001 it changed its name to Civic Computing Limited. The company also started to trade on 15 August 2001.

The principal activity of the company in the period under review was a product led web development company. The company activities include licensing of content control, strategic web consultancy, on-line marketing and development of creatively designed sites, content managed websites and hosting of business critical websites.

Review of the business

The net profit after providing for taxation amounted to £82,651.

Directors and their interests

The directors in office in the period and their beneficial interests in the company at the balance sheet date (or on appointment if later) were as follows:

		Number of Shares 2002
Dr G Jones	Ordinary shares of 1p each	1,995
G Tosh	Ordinary shares of 1p each	1,620
G Rouchotas	Ordinary shares of 1p each	1,420
Directors retired during the period:		
MBM Board Nominees Ltd	14 August 2001	
Directors appointed during the period:		
MBM Board Nominees Limited	6 August 2001	
Dr G Jones	14 August 2001	
G Tosh	14 August 2001	
G Rouchotas	14 August 2001	

Small company exemptions

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

On behalf of the board:


G Tosh
Director

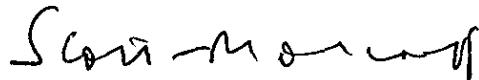
Date: 19/5/2003

CIVIC COMPUTING LIMITED

**Accountants' Report to the Directors on the Unaudited
Accounts**

We have prepared, without carrying out an audit, the financial statements for the period ending 31 August 2002 set out on pages 4 to 12 from the accounting records of the company and from information and explanations supplied to us.

We have not audited the financial statements. Accordingly, we do not express an audit opinion or any other form of assurance that the accounting records and the financial statements are free from material misstatement.



Scott-Moncrieff
Chartered Accountants
17 Melville Street
Edinburgh

EH3 7PH
Date: 21/5/03

CIVIC COMPUTING LIMITED

Profit and Loss Account

For the period from 6 August 2001 to 31 August 2002

	Notes	2002 £
Turnover		510,051
Cost of sales		193,300
Gross profit		316,751
Administrative expenses		225,697
		91,054
Other operating income		5,500
Operating profit	2	96,554
Investment income and interest receivable	3	1,286
Interest payable and similar charges	4	(500)
Profit on ordinary activities before taxation		97,340
Tax on profit on ordinary activities	7	(14,689)
Profit on ordinary activities after taxation		82,651
Dividends		(10,000)
Retained profit for the financial period		72,651

Continuing operations

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

Total recognised gains and losses

The company has no recognised gains or losses other than the profit or loss for the above financial period.

The notes on pages 6 to 12 form part of these financial statements.

CIVIC COMPUTING LIMITED

Balance sheet

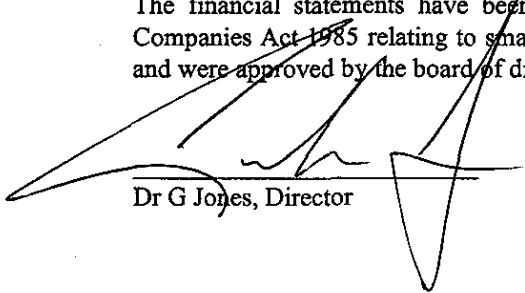
At 31 August 2002

	Notes	£	2002 £
Fixed assets			
Tangible assets	8		14,413
Current assets			
Debtors	9	92,141	
Cash at bank and in hand		76,914	
		<u>169,055</u>	
Creditors: amounts falling due within one year	10	<u>(79,319)</u>	
Net current assets			<u>89,736</u>
Total assets less current liabilities			<u>104,149</u>
Provisions for liabilities and charges	11		<u>(2,456)</u>
Net assets			<u><u>101,693</u></u>
Capital and reserves			
Called up share capital	13		100
Share premium account	14		28,942
Profit and loss account			<u>72,651</u>
Total shareholders' funds	15		<u><u>101,693</u></u>

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 August 2002 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities and were approved by the board of directors on 19th Mar 2003 and signed on its behalf by:


Dr G Jones, Director

The notes on pages 6 to 12 form part of these financial statements.

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

1. Statement of accounting policies

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

Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Plant and machinery	25% straight line
Office furniture and fittings	20% straight line
Computer equipment	50% straight line

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Pension costs

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

2. Operating profit

Operating profit is stated	2002
	£
After charging:	
Depreciation of fixed assets	13,492
Hire of equipment	353
Operating lease rentals	
Land and buildings	19,313
After crediting:	
Government grants	5,500

3. Investment income and interest receivable

	2002
	£
Interest received and receivable	
Bank interest	1,286

4. Interest payable and similar charges

	2002
	£
Other interest	500

5. Information on directors and employees

	2002
	£
Staff costs	
Wages and salaries	203,324
Social security costs	17,386
Other pension costs	1,605
	222,315

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

5. Information on directors and employees - (continued)

	2002 No.
The average number of employees during the year was made up as follows:	
Directors	3
Employees	4
	7
	2002 £
Directors' emoluments	
Emoluments, including pension contributions to money purchase (defined contribution) schemes	88,925

6. Pension costs

Money purchase (defined contribution) pension scheme

The company operates a money purchase (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 £1,605.

7. Tax on profit on ordinary activities

	2002 £
The taxation charge comprises:	
Current tax on profit for the period	12,233
Transfer to deferred tax	2,456
	14,689

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

8. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost:			
Additions	600	27,305	27,905
Depreciation:			
Charge for period	150	13,342	13,492
Net book value:			
At 31 August 2002	450	13,963	14,413

9. Debtors

	2002 £
Trade debtors	87,489
Other debtors	2,282
Prepayments and accrued income	2,370
	92,141

10. Creditors: amounts falling due within one year

	2002 £
Trade creditors	16,122
Corporation tax	12,233
Other taxes and social security costs	32,473
Other creditors	5,556
Accruals and deferred income	2,935
Proposed dividend	10,000
	79,319

Other creditors represent a loan from East Lothian Investments Ltd. The loan of £10,000 was drawn down in September 2001. The loan is repayable over 18 monthly instalments from January 2002 and is interest free.

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

11. Provisions for liabilities and charges

	2002 £
Deferred taxation (see below)	
Transferred to profit and loss account	2,456
Total provision for liabilities and charges	2,456
	Fully provided 2002 £
Deferred tax is calculated at 19% analysed over the following timing differences:	
On the excess of capital allowances over depreciation	2,530
On other timing differences	(74)
	2,456

12. Borrowings

	2002 £
<i>The company's borrowings are repayable as follows</i>	
Up to one year and on demand	5,556

13. Share capital

	2002 £
Authorised:	
Equity interests:	
11,500 ordinary shares of £0.01 each	115
Allotted, called up and fully paid:	
Equity interests:	
10,000 ordinary shares of £0.01 each	100

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

13. Share capital - (continued)

The company was incorporated with 1,000 ordinary shares of £1.00 each. On 12 September 2001 these shares were sub-divided to 100,000 ordinary shares of £0.01 and on the same date 88,500 of these shares were cancelled.

On incorporation 2 ordinary shares of £1.00 each were issued. These were subdivided to 200 ordinary shares of £0.01 each on 12 September 2001. On the same date 4,000 ordinary shares of £0.01 were issued and on 21 August 2002 a further 5,800 ordinary shares of £0.01 were issued.

14. Share premium account

	2002 £
Equity interests:	
Premium on shares issued during the year	28,942
Balance at year end	<u>28,942</u>

On 21 August 2002 5,800 ordinary shares of £0.01 were issued at a premium of £4.99 each.

15. Reconciliation of movements in shareholders' funds

	2002 £
Profit for the period	82,651
Dividends	(10,000)
New share capital subscribed	100
Premium on shares issued	28,942
Net addition to shareholders' funds	<u>101,693</u>
Closing shareholders' funds	<u>101,693</u>
Represented by:-	
Equity interests	<u>101,693</u>

CIVIC COMPUTING LIMITED

Notes to the Financial Statements

For the period from 6 August 2001 to 31 August 2002

16. Revenue commitments

At period end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	Land and buildings	Other
	2002	2002
	£	£
Within one year	11,750	-