

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF

TARAPORE CONSULTANCY LIMITED

(2570666)

We report on the Accounts for the year ended 31 December 1994 as set out on Pages two to nine.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS**

As described on Page two the Company Directors are responsible for the preparation of the Accounts 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 Accounts 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 purpose of this report. These procedures provide only the assurance expressed in our opinion.

**OPINION**

In our opinion:

- (a) The Accounts are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985.
- (b) Having regard only to, and on the basis of, the information contained in those accounting records.
  - (i) The Accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act and
  - (ii) the Company satisfied the conditions for exemption from an audit of the Accounts 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).

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**RICHMAN & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**AND REGISTERED AUDITORS**

189 HIGH STREET  
HARLES DEN  
LONDON NW10 4TE



Dated: 9 October 1995

## TARAPORE CONSULTANCY LIMITED

### REPORT OF THE DIRECTORS

The Directors present their Report and Accounts for the year ended 31 December 1994.

#### RESULTS AND DIVIDENDS

	<u>31 December 1994</u>	<u>31 December 1993</u>
	£	£
Net Profit for the year before Taxation	44,480	61,326
Taxation chargeable for the year	11,467	15,170
<u>Net Profit for the year after Taxation</u>	<u>33,013</u>	<u>46,156</u>
	=====	=====

The Directors recommend a Dividend of £16,500 per Ordinary Share amounting to £33,000 for the year (Year Ended 31 December 1993 - £46,000).

#### REVIEW OF THE BUSINESS

The Company's principal activities during the year were the provision of Computer Services.

In the opinion of the Directors the Company's results for the year were satisfactory and should continue to be so.

#### DIRECTORS' RESPONSIBILITIES

The Directors are required by law to prepare Financial Statements for each financial year which give a true and fair view of the state of the affairs of the Company as at the end of the financial year and of the Profit or Loss and total recognised Gains or Losses of the Company for that period. The Directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the Financial Statements for the year ended 31 December 1994. The Directors also confirm that the Company will continue to trade for the foreseeable future.

The Directors are responsible for maintaining adequate accounting records, for safeguarding the Assets of the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.

TARAPORE CONSULTANCY LIMITED

REPORT OF THE DIRECTORS

(CONTINUED)

FIXED ASSETS

Details of Fixed Assets and changes therein are shown in the Notes annexed to these Accounts.

DIRECTORS AND THEIR SHARE INTERESTS

The Directors during the year and their interests in the Share Capital of the Company throughout the financial year were as follows:

Ordinary Shares

K Tarapore	One
V Tarapore	One

TAX STATUS

The Company is a 'close Company' as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

Richman & Company, Chartered Accountants, are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985 by virtue of an Elective Resolution passed by the Members on 13 October 1994.

In preparing the above Report, the Directors have taken advantage of special exemptions applicable to small Companies.

  
K TARAPORE - DIRECTOR

Dated: 09/10/95

TARAPORE CONSULTANCY LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1994

<u>31 December 1993</u>			<u>COST</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>NET BOOK VALUE</u>
£	£		£	£	£
<u>TANGIBLE FIXED ASSETS -</u>					
(Note 2)					
6,173		Furniture, Fittings and Computer Equipment	<u>10,470</u>	<u>5,183</u>	5,287
<u>CURRENT ASSETS</u>					
	6,500	Work in Progress		-	
	22,115	Cash at Bank		40,214	
	2,849	Debtors - (Note 3)		<u>6,583</u>	
	<u>31,464</u>			46,797	
<u>DEDUCT: CREDITORS</u>					
	<u>37,024</u>	Amounts Falling Due Within One Year - (Note 4)		<u>51,458</u>	
(5,560)					(4,661)
<u>613</u>		<u>NET ASSETS</u>			<u>626</u>
=====					=====
<u>FINANCED BY:</u>					
<u>SHARE CAPITAL</u>					
Authorised:					
	<u>100</u>	100 Ordinary Shares of £1 Each		<u>100</u>	
Called-Up and Fully Paid:					
2		2 Ordinary Shares of £1 Each			2
<u>RESERVES</u>					
<u>611</u>		Profit and Loss Account			<u>624</u>
<u>613</u>					<u>626</u>
=====					=====

TARAPORE CONSULTANCY LIMITED

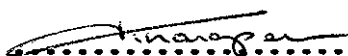
BALANCE SHEET AS AT 31 DECEMBER 1994

(CONTINUED)

DIRECTORS' STATEMENTS ON UNAUDITED ACCOUNTS

- (a) The Company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and no notice has been deposited under Section 249B(2).
- (b) The Directors acknowledge their responsibility for:
- (i) ensuring that the Company keeps proper accounting records which comply with Section 221, and
  - (ii) preparing Accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its Profit and Loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirement of the Act relating to Accounts, so far as applicable to the Company.
- (c) The Directors have taken advantage of the exemptions conferred by Section A of Part 111 of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the Company is entitled to these exemptions on the basis that it qualifies as a small Company under Section 247.

Approved On Behalf of the Directors By:

  
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K TARAPORE - DIRECTOR

Approved On: ..02/10/95.....

TARAPORE CONSULTANCY LIMITED

STATUTORY PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

31 DECEMBER 1994

Year Ended  
31 December 1993

£		£
85,900	Turnover - (Note 1(c))	66,800
925	<u>ADD:</u> Interest Received	959
86,825		67,759
25,283	<u>DEDUCT:</u> Administrative Expenses - (Note 6)	22,340
61,542	<u>OPERATING PROFIT</u>	45,419
216	<u>LESS:</u> Interest Payable and Similar Charges	939
61,326	<u>PROFIT ON ORDINARY ACTIVITIES</u>	44,480
15,170	<u>DEDUCT:</u> Corporation Tax on Profit on Ordinary Activities - (Note 1(d))	11,467
46,156	<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>	33,013
46,000	<u>DEDUCT: DIVIDENDS</u>	33,000
156		13
455	<u>ADD:</u> Retained Profits Brought Forward	611
611	<u>RETAINED PROFITS CARRIED FORWARD</u>	624
=====		=====

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the year.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised Gains or Losses other than the Profit for the financial year in question.

TARAPORE CONSULTANCY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 1994

(1) ACCOUNTING POLICIES

(a) ACCOUNTING CONVENTION

These Accounts have been prepared under the historical cost convention.

(b) DEPRECIATION

Depreciation of Tangible Fixed Assets is provided for on a straight line basis at rates estimated to write off cost over the period of their useful lives to the business.

The rates of depreciation currently in operation and the amounts provided in the year were as follows:

	<u>Percentage</u>	<u>Total for Year</u>
		£
Furniture, Fittings and Computer Equipment	20%	2,094
		=====

(c) TURNOVER

Turnover represents amounts derived from the provision of services falling within the Company's ordinary activities excluding V A T, and after adjusting for Work in Progress.

(d) DEFERRED TAXATION

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.

(e) CASH FLOW

These Accounts 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 the Financial Reporting Standard - 'Cash Flow Statements'.

TARAPORE CONSULTANCY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 1994

(CONTINUED)

(2) TANGIBLE FIXED ASSETS

Furniture, Fittings  
and Computer Equipment

£

Cost:

As At 1 January 1994 9,262

Additions in the Year 1,208

As At 31 December 1994 10,470

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Depreciation:

As At 1 January 1994 3,089

Provided During the Year 2,094

As At 31 December 1994 5,183

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Net Book Value As At 31 December 1994 5,287

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(3) DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31 December 1994

31 December 1993

£

£

Trade Debtors 3,701

-

Corporation Tax Repayable 2,882

2,849

6,583

2,849

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TARAPORE CONSULTANCY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 1994

(CONTINUED)

(4) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31 December 1994</u>	<u>31 December 1993</u>
	£	£
Sundry Creditors Including Taxation	28,151	16,430
Accrued Expenses	700	675
Amounts Owed to Directors	22,607	19,919
	<u>51,458</u>	<u>37,024</u>
	=====	=====

(5) RECONCILIATION ON MOVEMENTS ON SHAREHOLDERS' FUNDS

	<u>31 December 1994</u>	<u>31 December 1993</u>
	£	£
Profit for the financial year after Dividends and Taxation	13	156
Opening Shareholders' Funds at 1 January 1994	613	457
<u>Closing Shareholders' Funds at 31 December 1994</u>	<u>626</u>	<u>613</u>
	=====	=====

(6) OPERATING PROFIT

	<u>Year Ended</u> <u>31 December 1994</u>	<u>Year Ended</u> <u>31 December 1993</u>
	£	£
Stated after charging:		
Directors' Remuneration and National Insurance	13,226	13,248
Audit and Accountancy Charges	700	675
Depreciation of Tangible Fixed Assets - (Note 1(b))	2,094	1,853