BDO Stoy Hayward
Chartered Accountants

Craneware Limited

Report and Abbreviated Financial Statements

Year Ended

30 June 2001

196331

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COMPANIES HOUSE 30/04/02

Craneware Limited

Annual report and financial statements for the year ended 30 June 2001

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Directors

K Neilson
W G Craig
W McCall

Secretary and registered office

C J McCulloch, Unit 3B, Rosebank Business Park, Rosebank Road, Kirkton Campus, Livingston, EH54 7EJ

Company number

SC196331

Auditors

BDO Stoy Hayward, Ballantine House, 168 West George Street, Glasgow, G2 2PT

Bankers

The Royal Bank of Scotland plc, 36 St Andrew Square, Edinburgh EH2 2YB

Solicitors

McGrigor Donald, Erskine House, 68-73 Queen Street, Edinburgh EH2 4NF

BDO

BDO Stoy Hayward
Chartered Accountants

Ballantine House 168 West George Street
Glasgow G2 2PT

Independent auditors' report to Craneware Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 3 to 10 together with the financial statements of the company for the year ended 30 June 2001 prepared under section 226 of the Companies Act 1985.

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 sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered 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 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 did 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 sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 3 to 10 are properly prepared in accordance with those provisions.

BDO Stoy Hayward

BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Glasgow

12 April 2002

Craneware Limited

Balance sheet at 30 June 2001

	Note	£	30 June 2001 £	£	30 June 2000 £
Fixed assets					
Tangible assets	2		**91,092**		9,159
Investments	3		**71**		-
			91,163		9,159
Current assets					
Debtors		**427,303**		128,436	
Cash at bank and in hand		**290,607**		51,545	
		717,910		179,981	
Creditors: amounts falling due within one year		**70,336**		60,586	
Net current assets			**647,574**		119,395
Total assets less current liabilities			**738,737**		128,554
Creditors: amounts falling due after more than one year	4	**26,133**		45,000	
Provision for liabilities and charges		**9,120**		533	
			35,253		45,533
			703,484		83,021
Capital and reserves					
Called up share capital	5		**603**		505
Share premium account			**767,092**		59,940
Profit and loss account			**(64,211)**		22,576
Equity shareholders' funds			**703,484**		83,021

The notes on pages 5 to 10 form part of these unaudited financial statements.

Balance sheet at 30 June 2001

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

The financial statements were approved by the Board on 12 April 2002.

K Neilson
Director

The notes on pages 5 to 10 form part of these unaudited financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a 'small' group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents sales of computer software licences.

Tangible fixed assets

The company is adopting FRS 15 this year. In future, all additions to tangible fixed assets will be stated at cost. Where existing unimpaired tangible fixed assets are stated at valuation the company has taken advantage of the transitional arrangements in FRS 15 to retain these book values. Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer made from the revaluation reserve to the profit and loss account.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for investment properties, freehold land and certain buildings, evenly over their expected useful lives. It is calculated at the following rates:

Computer equipment	-	33% straight line
Tenants improvements	-	20% straight line
Office furniture	-	25% straight line

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

1 Accounting policies *(continued)*

Research and development

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred.

Development costs are also charged to the profit and loss account in the year of expenditure, unless individual projects satisfy all of the following criteria:

- the project is clearly defined and related expenditure is separately identifiable;
- the project is technically feasible and commercially viable;
- current and future costs are expected to be exceeded by future sales; and
- adequate resources exist for the project to be completed.

In such circumstances the costs are carried forward and amortised over a period not exceeding five years commencing in the year the company starts to benefit from the expenditure.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Operating leases

Annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Grants

Grants of a revenue nature are credited to income in the period to which they relate.

2 Tangible fixed assets

	Total
	£
Cost	
At 1 July 2000	13,670
Additions	101,602
At 30 June 2001	**115,272**
Depreciation	
At 1 July 2000	4,511
Provided for the year	19,669
At 30 June 2001	**24,180**
Net book value	
At 30 June 2001	**91,092**
At 30 June 2000	9,159

3 Fixed asset investments

	Total
	£
Cost or valuation	
At 1 July 2000	-
Additions	71
At 30 June 2001	**71**
Net book value	
At 30 June 2001	**71**
At 30 June 2000	-

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Country of incorporation or principal place of business	Class of share capital held	%
Subsidiary undertakings			
Craneware Inc.	USA	Ordinary	100

Unless otherwise stated, the following figures have been extracted from audited financial statements for the year ended 30 June 2001:

	Aggregate share capital and reserves	Profit/(loss) for the year
	£	£
Craneware Inc.	71	-

4 *Creditors: amounts falling due after more than one year*

	30 June 2001 £	30 June 2000 £
Bank loans	**3,466**	13,000
Other loan	**22,667**	32,000
	26,133	45,000

	Bank and other loans 30 June 2001 £	30 June 2000 £
In one year or less, or on demand	**26,858**	18,400
In more than one year but not more than two years	**3,467**	18,400
In more than two years but not more than five years	**22,667**	26,600
	52,992	63,400

A Business Growth Fund loan of £40,000 was received from Scottish Enterprise in March 2000. This is repayable in 60 monthly instalments. Interest is charged at 10% per annum. The loan is secured by a bond and floating charge over the assets of the company.

The bank loan is repayable by monthly instalments with interest charged at 3% over bank base rate. The loan is secured by a floating charge over the assets of the company.

5 Share capital

	Authorised		Allotted, called up and fully paid	
	30 June 2001 £	**30 June 2000 £**	**30 June 2001 £**	**30 June 2000 £**
Equity share capital				
Ordinary shares of 1 pence each	**99,804**	100,000	**505**	505
Ordinary 'A' shares of 1 pence each	**196**	-	**98**	-
	100,000	100,000	**603**	505

On 7 December 2000, each of 19,639 of the existing unissued ordinary shares of £0.01 each in the capital of the company were re-designated as 'A' ordinary shares of £0.01 each. On 7 December 2000, 9,820 ordinary 'A' shares were alloted for a total consideration of £750,000 .