

# TOUCHSTONE GROUP PLC



ANNUAL REPORT & ACCOUNTS 2000

*TOUCHSTONE*



## CONTENTS

Company Profile	1
Chairman's Statement	2
Directors' Report	3
Statement of Directors' Responsibilities	5
Report of the Auditors to the Members of Touchstone Group plc (formerly Law 949 Ltd)	6
Consolidated Profit and Loss Account	7
Consolidated Balance Sheet	8
Balance Sheet	9
Consolidated Cash Flow Statement	10
Reconciliations of Movements in Equity Shareholders' Funds	11
Notes	12
Notice of Annual General Meeting	27

Cover:  
Ancient paintings  
of hands,  
Cuevos Los Manos,  
South America

# COMPANY PROFILE

Touchstone is the leading mid-market supplier of Customer Relationship and Financial Management software in the UK. Incorporated in 1982 Touchstone is the most successful reseller for the Pivotal, Dynamics and SunSystems products across a number of strategic industry sectors. We have a selection of services designed to ensure our customers maximise their investment in these software applications.

**Training** offers scheduled courses with classroom, on-site and tailored training options.

**Consultancy** provides implementation, project management, site audit, software upgrades and technology consulting.

**Support** offers unrivalled Help Desk telephone support with a choice of support levels.

**Account Management & Information Services** provide a varied agenda of workshops, seminars, conferences and user groups, which play a vital role in working to protect your technology investment.

Touchstone delivers consistent high quality service to our customers applying the expertise gained from our focused industry sectors to ensure customer satisfaction. These specialist industries are as follows:

- **Finance including Banking**, Stockbroking, Insurance and Underwriting with customers like Corporation of Lloyds, Invesco, Alex Lawrie Factors, Scottish Provident International and Hill Samuel
- **Hospitality and Leisure** including Hotels, Restaurants, Leisure and Transport with customers like Welcome Break, Greene King Pub Company, Corus and Regal Hotels, Millennium Copthorne
- **Media and Technology** including W.Cities.com, easyEverything, Telehouse Europe Ltd, Associated Press Television News, Pearson Television Ltd, and Reed Elsevier (UK) Ltd
- **Not for Profit** including Charities, Government, Utilities, Regulatory Bodies, Police, Education and Health with customers like Friends of the Earth, SCOPE, Childline, The Terrence Higgins Trust, NHS Logistics Authority and Great Ormond St Hospital
- **Commercial** including Distribution, Mining and Manufacturing with customers like Suzuki GNB Plc, Ghost Ltd, Dunlop Slazenger International Ltd, and Kraft Foods Middle East & Africa
- **Professional Services** including Legal, Recruitment, Property and Services with customers like, Pannell Kerr Forster, JMP Consultants Ltd, and Pall Mall Services

Touchstone's portfolio of leading edge products includes:

- **eEnterprise and Dynamics** - This cost-effective easy to implement solution delivers strong accounting and business management capabilities, integrating with the Internet and the latest Windows 2000 technology.
- **Pivotal Relationship** – Relationship is a rapidly deployable, internet enabled, sales, marketing and customer support system that integrates with Dynamics and SunSystems and profitably manages customer relationships throughout their entire life cycle.
- **SunSystems** - SunSystems' single integrated ledger and flexible analysis coding combined with strong multi-currency functionality and global support makes it a leading international solution offering powerful financial and business functionality and exceptional flexibility.

## CHAIRMAN'S STATEMENT

I am pleased to report another good year of progress for the group, with profits up by 45% to £1,518,000, before amortisation of goodwill, exceptional costs and tax, compared with £1,048,000 in the previous period. After amortisation of goodwill and exceptional costs, profit before tax was £1,196,000 compared with £1,048,000 in the previous period. Basic earnings per share before goodwill increased by 44% to 11.1 pence per share, based upon the weighted average of 9,758,572 shares in issue, compared with 7.7 pence per share based on the weighted average of 9,504,169 shares in issue in the previous period.

The acquisitions I reported upon at the half year have now been successfully integrated into the Group's core structure. The acquisition of Independent Computer Solutions (ICOS) has provided the Group entry into the exciting Customer Relationship Management (CRM) market using the Pivotal suite of internet-based products. In addition, the Group's successful Great Plains division has commenced selling the new Great Plains/Siebel Front Office suite of CRM software. The Group believes that these two new products give additional marketing advantage, which will be actively promoted to our substantial client base and also to new clients.

The improvement in the Group's gross margins achieved last year reflects the trend of demand within the industry for the supply of a greater proportion of higher margin services to support software in internet related applications and e-Commerce.

Following the acquisitions made last year, we have now carried out a review of staffing levels and premises requirements in all departments and implemented a rationalisation programme the benefits of which will be seen in the current year.

The recent acquisitions have been financed out of the Group's cash flow. However, the cash position remains strong due to the cash generative nature of the Group and its new acquisitions.

The Board is recommending a final dividend of 0.75 pence to be paid on 11th August 2000 to shareholders registered at close of business on 14th July 2000. This makes a total dividend for the year of 1.10 pence, an increase of 10% on last year.

Following the general uncertainty surrounding concerns with technical issues due to the change of Millennium, some slowness was experienced in the start to trading in the current year. More recently an improvement has taken place and total order books are now at increased levels compared to last year. This position, together with the sales opportunities arising from the expanded portfolio of products, leads the board to look forward to another year of progress.

The Board joins me in thanking management and staff for their contribution to a successful year.

**Philip Birch**  
*Chairman*

14 June 2000

# DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2000. The comparative figures are given for the period from 30 March 1998 (the date on which the company was incorporated) to 31 March 1999.

## PRINCIPAL ACTIVITIES

Touchstone Group plc is a holding company.

The principal activity of its trading subsidiaries during the financial period was that of the supply and support of business software.

## BUSINESS REVIEW

A review of the group's business and development for the year ended 31 March 2000 is set out in the Chairman's Statement.

## YEAR 2000

The preparation work carried out on preparing the group's customers for the potential impact of the millennium can be considered a great success with only a very small proportion reporting any incidents, and the majority of these not related to products supplied or supported by the group.

There had been considerable efforts in ensuring as many of the group's customers as possible were operating on compliant systems and this, in conjunction with the advisory mailshots and seminars, contributed to the low incidence of issues.

Similarly, the group's internal systems suffered no identifiable effects from the millennium date changes.

Now that all of the significant 'at-risk' dates have been passed, the directors now feel that there will be no significant further outstanding risk arising from the impact of the millennium.

The costs arising from the year 2000 work have not been material.

## PROPOSED INTRODUCTION OF THE EURO

The group recognises the importance of the potential impact of the Euro in the event of the introduction of the single European currency. Currently the directors believe that this would not significantly impact on our internal business systems and we are confident that the strength of our product offering in this area would lead to greater future business benefits.

## POLICY AND PRACTICE ON PAYMENT OF CREDITORS

The group's policy is to pay suppliers in accordance with terms and conditions agreed when orders are placed. Although the group does not follow any code or standard on payment policy, where payment terms have not been specifically agreed, invoices dated in one calendar month are paid close to the end of the following month. At 31 March 2000 there were 60 days purchases in group trade creditors (1999: 69 days). The Company did not have any trade creditors at 31 March 2000 (1999: £nil)

## TREASURY AND FUNDING ACTIVITIES

The Group's financial instruments comprise cash, obligations under finance leases, bank borrowing facilities and various items such as trade debtors and trade creditors that arise directly from its operations. No material foreign currency transactions are entered into and no foreign currency balances are held.

The group finances its operations primarily through retained profits. Whilst bank borrowing facilities are in existence they have not been utilised in the current year or the preceding period due to the Group throughout those periods having use of surplus cash balances.

As such, it has no significant interest rate risk or liquidity risk.

# DIRECTORS' REPORT (CONTINUED)

## DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the period were as follows:

P Birch - Chairman  
DD de Carle  
DRT Thompson  
KGJ Birch  
DP Birch  
C Butler

The directors who held office at the end of the financial year had the following interests in the ordinary shares of group companies according to the register of directors' interests:

### COMPANY CLASS OF SHARE INTEREST AT

	Company	Class of Share	Interest at end of year	Interest at beginning of year
P Birch *	Touchstone Group plc	Ordinary	2,152,624	2,152,624
DD de Carle	Touchstone Group plc	Ordinary	23,500	23,500
DRT Thompson	Touchstone Group plc	Ordinary	9,500	9,500
KGJ Birch**	Touchstone Group plc	Ordinary	3,030,547	3,050,547
DP Birch	Touchstone Group plc	Ordinary	1,728,257	1,728,257
C Butler	Touchstone Group plc	Ordinary	7,500	2,485

\* The interests of Philip Birch include 30,000 ordinary shares held on behalf of his immediate family.

\*\* The interests of Keith Birch include 232,000 ordinary shares held as a trustee of the TCL Settlement Trust 1998.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of group companies were granted to any of the directors or their immediate families, or exercised by them, during the financial year except as indicated below:

	Number of options During the year			Exercise price (pence)	Date from which exercisable	Expiry date	
	At start of year	Granted	Exercised				
C Butler	15,000	-	-	15,000	105p	July 2001	July 2008
C Butler	-	12,000	-	12,000	134.5p	September 2002	September 2008

The highest and lowest share prices during the year were 328.5p and 105.5p respectively and the market price at 31 March 2000 was 252.5p.

## POLITICAL AND CHARITABLE CONTRIBUTIONS

The group made no political or charitable contributions during the year.

## AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

KGJ Birch  
Director

5/6 Beauchamp Court  
Victors Way  
High Barnet  
Herts EN5 5TZ

14 June 2000

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



# KPMG Audit Plc

PO Box 695  
8 Salisbury Square  
London EC4Y 8BB  
United Kingdom

## REPORT OF THE AUDITORS TO THE MEMBERS OF TOUCHSTONE GROUP PLC

We have audited the financial statements on pages 7 to 26.

## RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the directors' report and, as described on page 5, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

## BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 March 2000 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

14 June 2000



# CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Note	Acquisitions		Year ended 31 March 2000	Period ended 31 March 1999
		£000	£000	£000	£000
<i>Continuing operations</i>					
Turnover	1,2	7,953	2,558	10,511	7,663
Cost of sales		(3,527)	(904)	(4,431)	(3,773)
<b>Gross profit</b>		<b>4,426</b>	<b>1,654</b>	<b>6,080</b>	<b>3,890</b>
Administrative expenses					
- Before exceptional items and goodwill amortisation		(3,119)	(1,531)	(4,650)	(2,952)
- Exceptional items	6	-	(180)	(180)	-
- Goodwill amortisation		-	(142)	(142)	-
Total administrative expenses		(3,119)	(1,853)	(4,972)	(2,952)
<b>Operating profit/(loss)</b>		<b>1,307</b>	<b>(199)</b>	<b>1,108</b>	<b>938</b>
Interest receivable	7			98	114
Interest payable and similar charges	8			(10)	(4)
<b>Profit on ordinary activities before taxation</b>	3			<b>1,196</b>	<b>1,048</b>
Tax on profit on ordinary activities	9			(256)	(320)
<b>Profit on ordinary activities after taxation</b>				<b>940</b>	<b>728</b>
Dividends paid and proposed	10			(107)	(98)
<b>Retained profit for the year/period</b>	21			<b>833</b>	<b>630</b>
Adjusted earnings per share - basic (before goodwill amortisation)	11			11.1p	7.7p
Earnings per share - basic (after goodwill amortisation)	11			9.6p	7.7p
Earnings per share - diluted (after goodwill amortisation)	11			9.5p	7.6p

The results disclosed in the consolidated profit and loss account are on an historical cost basis.

The comparative figures are given for the period from 30 March 1998 (the date on which the company was incorporated) to 31 March 1999.

The group has no recognised gains or losses in either the current or preceding year other than those reported in the consolidated profit and loss account. Accordingly, a statement of total recognised gains and losses has not been prepared.

# CONSOLIDATED BALANCE SHEET

## AT 31 MARCH 2000

	Note	2000 £000	2000 £000	1999 £000	1999 £000
<b>Fixed assets</b>					
Intangible assets	12		2,601		-
Tangible assets	13		518		222
			<b>3,119</b>		<b>222</b>
<b>Current assets</b>					
Stocks	15	3		64	
Debtors	16	3,820		2,966	
Cash at bank and in hand		2,511		2,972	
		<b>6,334</b>		<b>6,002</b>	
<b>Creditors: amounts falling due within one year</b>	17	<b>(1,598)</b>		<b>(1,527)</b>	
<b>Net current assets</b>			<b>4,736</b>		<b>4,475</b>
<b>Total assets less current liabilities</b>			<b>7,855</b>		<b>4,697</b>
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(43)</b>		-
<b>Provisions for liabilities and charges</b>	18		<b>(1,181)</b>		-
<b>Accruals and deferred income</b>					
Deferred income	19	(2,518)		(1,829)	
Accruals	19	(1,009)		(597)	
			<b>(3,527)</b>		<b>(2,426)</b>
<b>Net assets</b>			<b>3,104</b>		<b>2,271</b>
<b>Capital and reserves</b>					
Called up share capital	20		976		976
Share premium account	21		942		942
Other reserves	21		(823)		(823)
Profit and loss account	21		2,009		1,176
<b>Equity shareholders' funds</b>			<b>3,104</b>		<b>2,271</b>

The consolidated financial statements have been prepared using both the merger accounting basis and the acquisition accounting basis, in accordance with the accounting policy summarised in note 1.

These financial statements were approved by the board of directors on 14 June 2000 and were signed on its behalf by:

**KGJ Birch**  
Director

# BALANCE SHEET

## AT 31 MARCH 2000

	<i>Note</i>	2000 £000	2000 £000	1999 £000	1999 £000
<b>Fixed assets</b>					
Investments	14		2,033		833
<b>Current assets</b>					
Debtors	16	1,136		-	
Cash at bank and in hand		67		1,153	
		1,203		1,153	
<b>Creditors: amounts falling due within one year</b>	17	(1,273)		(66)	
<b>Net current (liabilities)/assets</b>			(70)		1,087
<b>Net assets</b>			1,963		1,920
<b>Capital and reserves</b>					
Called up share capital	20		976		976
Share premium account	21		942		942
Profit and loss account	21		45		2
<b>Equity shareholders' funds</b>			1,963		1,920

These financial statements were approved by the board of directors on 14 June 2000 and were signed on its behalf by:

**KGJ Birch**  
*Director*

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2000

	<i>Note</i>	2000 £000	1999 £000
<b>CASH FLOW STATEMENT</b>			
Cash flow from operating activities	23	652	1,108
Returns on investments and servicing of finance	24	72	110
Taxation		(231)	(272)
Capital expenditure and financial investment	24	(174)	(98)
Acquisitions and disposals	24	(673)	-
Equity dividends paid		(100)	(532)
Cash (outflow)/inflow before management of liquid resources and financing		(454)	316
Management of liquid resources	24	800	(650)
Financing	24	(7)	1,085
<b>Increase in cash in the period</b>		<b>339</b>	<b>751</b>

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS (NOTE 25)

	2000 £000	1999 £000
<b>Increase in cash in the period</b>	<b>339</b>	<b>751</b>
Cash outflow from decrease in debt and lease financing	7	-
Cash (outflow)/inflow from (decrease)/increase in liquid resources	(800)	650
Change in net funds resulting from cash flows	(454)	1,401
Loans and finance leases acquired with subsidiaries	(63)	-
<b>Movement in net funds in the period</b>	<b>(517)</b>	<b>1,401</b>
Net funds at the start of the period	2,972	1,571
<b>Net funds at the end of the period</b>	<b>2,455</b>	<b>2,972</b>

# RECONCILIATIONS OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2000

	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
Profit for the financial year/period	940	728	150	100
Dividends	(107)	(98)	(107)	(98)
<b>Retained profit for the financial year/period</b>	<b>833</b>	<b>630</b>	<b>43</b>	<b>2</b>
New share capital subscribed net of issue costs	-	1,085	-	1,918
<b>Net addition to equity shareholders' funds</b>	<b>833</b>	<b>1,715</b>	<b>43</b>	<b>1,920</b>
Opening shareholders' funds	2,271	556	1,920	-
<b>Closing equity shareholders' funds</b>	<b>3,104</b>	<b>2,271</b>	<b>1,963</b>	<b>1,920</b>

# NOTES

(FORMING PART OF THE FINANCIAL STATEMENTS)

## 1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements. Financial Reporting Standard 15: Tangible Fixed Assets and Financial Reporting Standard 16: Current Tax have been adopted in these financial statements; neither standard has any impact on the net assets or profits of the group.

### BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

### BASIS OF CONSOLIDATION

On 4 June 1998, as part of a group reconstruction, Touchstone Group Ltd (now Touchstone Group plc) became the holding company of Touchstone Computers Ltd. The financial statements of this group have been prepared using merger accounting principles in accordance with Financial Reporting Standard 6: Mergers and Acquisitions and Schedule 4 (A) of the Companies Act 1985.

On 21 July 1999 and 10 September 1999 the group acquired Resource Systems Ltd and Independent Computer Solutions Ltd respectively. These subsidiaries have been consolidated into the group using the acquisition accounting principles. Goodwill arising on the acquisition is capitalised on the balance sheet and amortised through the profit and loss account in equal annual instalments over its estimated useful economic life.

The comparative consolidated figures are given for the period from 30 March 1998 (the date on which the company was incorporated) to 31 March 1999.

Under section 230(4) of the Companies Act 1985 the company is exempt from the requirement to present its own profit and loss account.

### GOODWILL

Goodwill arising on acquisitions is recorded at cost and amortised on a straight line basis over its estimated useful economic life not exceeding 20 years.

### INVESTMENTS

In the company's financial statements, investments in subsidiary undertakings are stated at cost less any provision for impairment.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Fixtures and fittings	-	20% reducing balance
Computer equipment	-	33% straight line
Motor vehicles	-	25% straight line

### LEASES

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

### POST RETIREMENT BENEFITS

The company operates neither a defined contribution nor a defined benefit pension scheme but makes contributions to employees' personal pension schemes. The amount charged to the profit and loss account represents the contributions payable to employees' personal pension schemes in respect of the accounting period.

### RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research and development is written off in the profit and loss account in the year in which it is incurred.

# NOTES (CONTINUED)

## 1 ACCOUNTING POLICIES (CONTINUED)

### STOCKS

Stocks are stated at the lower of purchase cost, calculated on a first-in first-out basis, and net realisable value.

### MAINTENANCE REVENUE

Maintenance revenue is recognised over the period of the contract on a pro-rata basis. That portion of contracted maintenance revenue relating to periods after the year end is included in deferred income.

### TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

### TURNOVER

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers.

### CASH AND LIQUID RESOURCES

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources comprise current asset investments held as readily disposable stores of value as defined by Financial Reporting Standard: 1(Revised 1996) Cash flow statements. Liquid resources held in both the current year and preceding period comprise short term bank deposits.

## 2 SEGMENTAL INFORMATION

All of the group's turnover and profits before tax arise from its activities in the UK and Eire alone. Turnover and profits before tax arising in Eire are not material.

## 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2000 £000	1999 £000
<b><i>Profit on ordinary activities before taxation is stated after charging:</i></b>		
Auditors' remuneration:		
Group - audit	28	16
- fees paid to the auditors in respect of other services	25	20
Company - audit	2	2
Depreciation and other amounts written off tangible fixed assets:		
Owned	165	109
Leased	11	-
Amortisation of goodwill	142	-
Hire of land and buildings - operating leases	214	121



# NOTES (CONTINUED)

## 4 REMUNERATION OF DIRECTORS

	2000 £000	1999 £000
Emoluments for services as directors	313	242
Pension contributions	9	7
	<hr/> 322	<hr/> 249

Emoluments of the highest paid director were £119,637 (1999: £110,305). Amounts paid by the group in respect of his pension contributions were £3,134 (1999: £3,134).

## 5 STAFF NUMBERS AND COSTS

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2000	1999
Management	11	6
Administrative	16	9
Sales, support and technical	70	44
	<hr/> 97	<hr/> 59

The aggregate payroll costs of these persons were as follows:

	2000 £000	1999 £000
Wages and salaries	3,888	2,460
Social security costs	398	250
Other pension costs (see note 29)	94	37
	<hr/> 4,380	<hr/> 2,747

## 6 EXCEPTIONAL ITEMS

	2000 £000	1999 £000
Integration costs following acquisitions of subsidiaries	180	-

# NOTES (CONTINUED)

## 7 INTEREST RECEIVABLE - GROUP

	2000 £000	1999 £000
Bank interest	98	114

## 8 INTEREST PAYABLE AND SIMILAR CHARGES - GROUP

	2000 £000	1999 £000
Bank charges	4	4
Finance charges payable in respect of finance leases	6	-
	10	4

## 9 TAXATION

	2000 £000	1999 £000
UK corporation tax at 30% (1999: 31 %)	256	320

## 10 DIVIDENDS

	2000 £000	1999 £000
Equity shares:		
Interim dividend paid (2000: 0.35p per share, 1999: 0.33p per share)	34	32
Final dividend proposed (2000: 0.75p per share, 1999: 0.67p per share)	73	66
<b>Total dividend (2000: 1.1p per share, 1999: 1.0p per share)</b>	<b>107</b>	<b>98</b>

# NOTES (CONTINUED)

## II EARNINGS PER SHARE

	2000 £000	1999 £000
Profit for the financial year attributable to shareholders	940	728
Amortisation of capitalised goodwill	142	-
<b>Profit for the financial year before goodwill amortisation</b>	<b>1,082</b>	<b>728</b>

	2000	1999
Weighted average number of shares in issue	9,758,572	9,504,169
Dilution effect of option schemes:		
- approved employee option scheme (a)	88,569	16,128
- sharesave scheme (b)	42,779	24,684
	<b>9,889,920</b>	<b>9,544,981</b>

	2000	1999
Earnings per ordinary share before goodwill amortisation	11.1p	7.7p
Loss per ordinary share on goodwill amortisation	(1.5)p	-
<b>Basic earnings per ordinary share</b>	<b>9.6p</b>	<b>7.7p</b>
<b>Diluted earnings per ordinary share</b>	<b>9.5p</b>	<b>7.6p</b>

The weighted average number of shares on which the 1999 EPS was calculated reflects the 8,330,000 shares in issue immediately after the capital reconstruction that took place on 4 June 1998 plus the 1,428,572 shares which were subsequently issued on the Alternative Investment Market. No further shares have been issued during the year to 31 March 2000.

- a) As at 31 March 2000, there were 228,790 share options in issue under an approved employee option scheme and 8,210 in an unapproved scheme. The options first become exercisable in 2001 dependant on the achievement of certain performance targets.
- b) As at 31 March 2000, 79,103 options were held through a sharesave scheme with the Yorkshire Building Society.

# NOTES (CONTINUED)

## 12 INTANGIBLE FIXED ASSETS

	Goodwill arising on consolidation
	£000
<b>Cost</b>	
At beginning of year	-
Additions	2,743
At end of year	2,743
<b>Amortisation</b>	
At beginning of year	-
Charged in year	142
At end of year	142
<b>Net book value</b>	
At 31 March 2000	2,601
At 31 March 1999	-

Further details regarding the goodwill arising on consolidation are given in note 27.

## 13 TANGIBLE FIXED ASSETS

Group	Fixtures, fittings and equipment	Motor vehicles	Total
	£000	£000	£000
<b>Cost</b>			
At beginning of year	630	100	730
Acquisitions	229	70	299
Additions	176	-	176
Disposals	(15)	(13)	(28)
At end of year	1,020	157	1,177
<b>Depreciation</b>			
At beginning of year	438	70	508
Charge for the year	152	24	176
Disposals	(12)	(13)	(25)
At end of year	578	81	659
<b>Net book value</b>			
At 31 March 2000	442	76	518
At 31 March 1999	192	30	222

Included in the net book value of motor vehicles is £60,000 (1999: £nil) in respect of assets held under finance leases. Depreciation for the year on these assets was £11,000 (1999: £nil)

# NOTES (CONTINUED)

## 14 FIXED ASSET INVESTMENTS

<b>Company</b>	<b>Shares in group undertaking £000</b>
<b>Cost</b>	
At beginning of year	833
Additions	1,200
At end of year	2,033
<b>Provisions</b>	
At beginning and end of year	-
<b>Net book value</b>	
At 31 March 2000	2,033
At 31 March 1999	833

	Country of incorporation	Principal activity	Class and percentage of shares held	
			Group	Company
<b>Subsidiary undertakings</b>				
Touchstone Computers Ltd	England and Wales	Supply and support of business software	-	100%
Independent Computer Solutions Ltd	England and Wales	Supply and support of business software	-	100%
Resource Systems Ltd	England and Wales	Supply and support of business software	100%	-
Resource Systems Ltd (International Ltd)	Eire	Supply and support of business software	100%	-
Support Centre Ltd	England and Wales	Dormant	100%	-
Cedar T.P. Support Ltd	England and Wales	Dormant	100%	-
Independent Computer Solutions (Services) Ltd	England and Wales	Dormant	100%	-
Independent Computer (Software) Ltd	England and Wales	Dormant	100%	-

# NOTES (CONTINUED)

## 14 FIXED ASSET INVESTMENTS (CONTINUED)

The combination of Touchstone Group plc and Touchstone Computers Ltd has been accounted for by the merger method of accounting in accordance with Financial Reporting Standard 6: Mergers and Acquisitions and Schedule 4 (A) of the Companies Act 1985, on the basis that it meets the criteria set out in paragraph 13 of that Standard with respect to group reconstructions.

The investment in Touchstone Computers Ltd has been recorded at the nominal value of the shares issued by Touchstone Group plc (formerly Law 949 Ltd) in accordance with the provisions of Section 131 and Section 133 of the Companies Act 1985.

Independent Computer Solutions Ltd is a subsidiary of Touchstone Group plc; Resource Systems Ltd and Resource Systems (International) Ltd are subsidiaries of Touchstone Computers Ltd. These companies have been accounted for under acquisition accounting principles.

Unless otherwise stated, all companies operate in their country of incorporation.

## 15 STOCKS

	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
Work in progress	3	64	-	-

## 16 DEBTORS

	Group		Company	
	1999 £000	1998 £000	2000 £000	1999 £000
Trade debtors	3,043	2,236	-	-
Amounts owed from group undertakings	-	-	1,136	-
Other debtors	135	172	-	-
Prepayments and accrued income	642	558	-	-
	<b>3,820</b>	<b>2,966</b>	<b>1,136</b>	<b>-</b>

Included within prepayments and accrued income are deferred maintenance costs of £51,000 which are deferred for more than one year (1999: £22,000).

Included within other debtors is Advance Corporation Tax of £nil (1999: £150,000).

# NOTES (CONTINUED)

## 17 CREDITORS

Amounts falling due within one year	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
Obligations under finance leases	13	-	-	-
Trade creditors	845	842	-	-
Amounts owed to group undertakings	-	-	1,200	-
Corporation tax	263	313	-	-
Other creditors including tax and social security	146	105	-	-
Value Added Tax	258	201	-	-
Dividend proposed	73	66	73	66
	<b>1,598</b>	<b>1,527</b>	<b>1,273</b>	<b>66</b>

Amounts falling due after more than one year	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
Obligations under finance leases	43	-	-	-

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	2000 £000	1999 £000
<b>Group</b>		
Within one year	30	-
In the second to fifth years	26	-
Over five years	-	-
	<b>56</b>	<b>-</b>
Less future finance charges	(15)	-
	<b>41</b>	<b>-</b>

The company does not hold any assets under finance leases.



# NOTES (CONTINUED)

## 18 PROVISIONS FOR LIABILITIES AND CHARGES

	Contingent deferred consideration £000
At beginning of year	-
Amount arising in the year	1,181
At end of year	1,181

Contingent deferred consideration of £1,181,000 relates to acquisitions made during the year (note 27).

The amounts provided for deferred taxation and the amounts not provided are set out below:

	2000 Provided £000	2000 Unprovided £000	1999 Provided £000	1999 Unprovided £000
<b>Group</b>				
Difference between accumulated depreciation and capital allowances	-	(67)	-	(15)

## 19 ACCRUALS AND DEFERRED INCOME

	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
<b>Deferred income:</b>				
Amounts falling due within one year	2,384	1,756	-	-
Amounts falling due after more than one year	134	73	-	-
	2,518	1,829	-	-
<b>Accruals:</b>				
Amounts falling due within one year	1,009	597	-	-
	3,527	2,426	-	-

Deferred income represents that portion of contracted maintenance revenue relating to periods after the year end.

## 20 CALLED UP SHARE CAPITAL

	2000 £000	1999 £000
<b>Authorised</b>		
14,210,000 ordinary shares of 10p each	1,421	1,421
<b>Allotted, called up and fully paid</b>		
9,758,572 ordinary shares of 10p each (note 11)	976	976

21 SHARE PREMIUM AND RESERVES

	Group		
	Share Premium Account	Other reserves	Profit and loss account
	£000	£000	£000
At beginning of year	942	(823)	1,176
Retained profit for the year	-	-	833
<b>At end of year</b>	<b>942</b>	<b>(823)</b>	<b>2,009</b>

  

	Company		
	Share Premium Account	Other reserves	Profit and loss account
	£000	£000	£000
At beginning of year	942	-	2
Retained profit for the year	-	-	43
<b>At end of period</b>	<b>942</b>	<b>-</b>	<b>45</b>

The company's profit for the financial year before dividends was £150,000 (1999: £100,000).

The 'Group - Other reserves' figure of £(823,000) represents the difference arising on consolidation, under merger accounting rules, between the nominal value of the shares issued by Touchstone Group plc of £833,000 and the nominal value of the Touchstone Computers Ltd shares received in exchange of £1,000 together with the share premium of £9,000.

22 COMMITMENTS

(a) Capital commitments at the end of the financial year, for which no provision has been made, are as follows:

	Group		Company	
	2000 £000	1999 £000	2000 £000	1999 £000
Contracted	-	70	-	-

(b) Annual commitments under non-cancellable operating leases are as follows:

	2000		1999	
	Land and Buildings £000	Other £000	Land and Buildings £000	Other £000
<b>Group</b>				
Operating leases which expire:				
Within one year	-	-	-	-
In the second to fifth years inclusive	100	-	64	-
Over five years	136	-	83	-
	<b>236</b>	<b>-</b>	<b>147</b>	<b>-</b>

The company has no commitments under non-cancellable operating leases.

# NOTES (CONTINUED)

## 23 RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2000 £000	1999 £000
<b>Continuing operations</b>		
Operating profit	1,108	938
Goodwill amortisation	142	-
Profit on sale of tangible fixed assets	(2)	-
Depreciation	176	109
Decrease/(increase) in stocks	61	(51)
(Increase) in debtors	(125)	(397)
(Decrease)/increase in creditors	(708)	509
<b>Net cash inflow from operating activities</b>	<b>652</b>	<b>1,108</b>

The substantial decrease in creditors in the year ended 31 March 2000 is a result of the settlement of two creditor balances totalling £736,000. These creditors were acquired upon acquisition of the subsidiaries and were settled through funds acquired. Excluding the cash outflow of these items, the cash inflow from operating activities would have been £1,388,000.

## 24 ANALYSIS OF CASH FLOWS

	2000 £000	2000 £000	1999 £000	1999 £000
<b>Returns on investments and servicing of finance</b>				
Interest received	82		114	
Interest paid	(4)		(4)	
Interest element of finance lease rental payments	(6)		-	
<b>Net cash inflow for returns on investment and servicing of finance</b>		<b>72</b>		<b>110</b>
<b>Capital expenditure and financial investment</b>				
Purchase of tangible fixed assets	(176)		(88)	
Sale of tangible fixed assets	2		-	
Purchase of fixed asset investment	-		(10)	
<b>Net cash outflow for capital expenditure and financial investment</b>		<b>(174)</b>		<b>(98)</b>
<b>Acquisitions and disposals</b>				
Purchase of subsidiary undertakings	(1,867)	-		
Cash acquired with subsidiaries	1,194	-		
		<b>(673)</b>		<b>-</b>
<b>Management of liquid resources</b>				
Cash movement on short term bank deposits		800		(650)
<b>Financing</b>				
Issue of ordinary share capital	-		1,085	
Capital element of finance lease payments	(7)		-	
		<b>(7)</b>		<b>1,085</b>

# NOTES (CONTINUED)

## 25 ANALYSIS OF NET FUNDS

	At beginning of period £000	Cash flow £000	Acquisition £000	At end of period £000
Cash at bank and in hand	872	339	-	1,211
Finance leases	-	7	(63)	(56)
Short-term bank deposits	2,100	(800)	-	1,300
<b>Total</b>	<b>2,972</b>	<b>(454)</b>	<b>(63)</b>	<b>2,455</b>

## 26 PURCHASE OF SUBSIDIARY UNDERTAKINGS

### (i) Resource Systems Ltd

	£000
<b>Net assets acquired</b>	
Tangible fixed assets	127
Debtors	272
Cash at bank and in hand	224
Creditors	(218)
Loans and finance leases	(91)
Deferred income	(189)
	125
Goodwill	1,295
	1,420
<i>Satisfied by:</i>	
Cash	664
Deferred consideration	756
	1,420

Cash paid includes £45,000 of professional fees. The directors consider that there is no material difference between the fair value and book value of assets and liabilities acquired.

26 PURCHASE OF SUBSIDIARY UNDERTAKINGS (CONTINUED)

(ii) Independent Computer Solutions Ltd

	£000
<b>Net assets acquired</b>	
Tangible fixed assets	172
Debtors	606
Cash at bank and in hand	970
Creditors	(1,292)
Deferred income	(276)
<hr/>	
Goodwill	180
	1,448
<hr/>	
	1,628
<hr/>	
<i>Satisfied by:</i>	
Cash	1,203
Deferred consideration	425
<hr/>	
	1,628
<hr/>	

Cash paid includes £45,000 of professional fees. The directors consider that there is no material difference between the fair value and book value of assets and liabilities acquired.

The subsidiary undertakings acquired during the year contributed an outflow of £630,000 to the group's net operating cash flows, received £5,000 in respect of net returns on investments and servicing of finance, paid £61,000 in respect of taxation and utilised £4,000 for capital expenditure.

27 ACQUISITIONS

The Group made two acquisitions during the year, financed from group cash reserves. The acquisitions contributed a total turnover of £2,558,000 in the year and an operating loss of £199,000 including an amortisation charge of £142,000. Both acquisitions have been accounted for using acquisition accounting principles.

(i) Resource Systems Ltd (Resource)

The acquisition of the entire share capital of Resource and its subsidiary in Ireland was completed on 21 July 1999 for an initial consideration of £619,000. An additional payment of up to £756,000 will become payable subject to the maintenance contract revenue of Resource amounting in aggregate to £700,000 in the twelve months after acquisition. Management's best estimate of the deferred consideration is that the maximum consideration will be payable.

Goodwill of £1,295,000 arose on this acquisition and has been capitalised as an intangible fixed asset. Goodwill is being amortised over 12 years, its estimated useful life. This life has been determined based on the nature of the business acquired and the maturity of the customer base acquired with the business.

(ii) Independent Computer Solutions Ltd (ICOS)

The acquisition of the entire share capital of ICOS was completed on 10 September 1999 for an initial consideration of £1,070,000 followed by further consideration of £88,000 during the year. An additional payment of £425,000 will become payable in December 2000 (15 months after completion), subject to the maintenance contract revenue of ICOS amounting to £500,000 in the twelve months following acquisition. Management's best estimate of the deferred consideration is that the maximum will be payable.

Goodwill of £1,448,000 arose on acquisition, which has been capitalised in full. Goodwill is being amortised over 12 years, its useful economic life. This life has been determined based on the nature of the business acquired and the maturity of the customer base acquired with the business.

## 28 FINANCIAL INSTRUMENTS

An outline of the Group's approach to financial instruments is given in the directors' report. For the purpose of the disclosures given below, short term debtors and creditors which arise directly from the Group's operations have been excluded as permitted under Financial Reporting Standard 13.

### *Financial assets*

The Group's financial assets for disclosure purposes comprises cash at bank and short-term bank deposits. The cash at bank and short-term bank deposits are ordinarily placed with the Group's bankers with the interest income obtained being based on variable market rates.

### *Financial liabilities*

The Group's financial liabilities for disclosure purposes comprises obligations under finance leases. Details of the maturity of obligations under finance leases is given in note 17.

### *Borrowing facilities*

The group has a bank overdraft facility of £75,000 which is renewed annually. No amount had been drawn down in respect of this at either 31 March 2000 or 31 March 1999.

### *Fair values of financial assets and liabilities*

The directors consider that there is no material difference between the book value and fair value of the group's financial assets and liabilities at either 31 March 2000 or 31 March 1999.

### *Currency risk*

No analysis of currency risk of financial assets and liabilities is presented as at both 31 March 2000 and 31 March 1999 as all were in sterling.

## 29 PENSION SCHEME

The group does not operate an occupational pension scheme but makes a percentage contribution of qualifying salary to certain employees' personal pension schemes. The amount charged to the profit and loss account in respect of such contributions was £94,000 (1999: £37,000).

## 30 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Birch family, whose shareholdings are as disclosed in the Directors' Report.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Touchstone Group plc will be held at Charterhouse Securities Ltd, City Place House, 55 Basinghall St, London EC2B 5HD on Tuesday 1st August 2000 at 11 a.m. for the following purposes:

## ORDINARY BUSINESS

1. To receive and adopt the accounts for the year ended 31 March 2000 together with the reports of the Directors and auditors thereon.
2. To declare a final dividend of 0.75 pence per share.
3. To re-elect David de Carle who retires in accordance with article 18.2 of the Company's articles of association and being eligible, offers himself for re-election.
4. To re-appoint KPMG Audit Plc as the auditors to the Company and to authorise the directors to determine their remuneration.

## SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions of which Resolution 5 will be proposed as an ordinary resolution and Resolution 6 as a special resolution:

5. That in substitution of all existing authorities the directors be and generally and unconditionally are authorised pursuant to section 80 of the Companies Act 1985 (the "Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £325,286 for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the annual general meeting of the Company to be held in 2001 whichever first occurs, but so that the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of such an authority and the directors may allot relevant securities in pursuance of that offer or agreement.
6. That the directors be empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash as if sub-paragraph (1) pursuant to the authority conferred by Resolution 5 above of section 89 of the Act did not apply to such allotment provided that this power should be limited to:
  - (a) the allotment and issue of shares which are subject to options granted pursuant to the Approved Share Option Plan, the Unapproved Share Option Plan, the Saving Related Scheme and the Employee Share Ownership Trust operated by the Company;
  - (b) to the allotment of equity securities in connection with or pursuant to an offer by way of rights to the holders of shares in the Company and other persons entitled to participate therein, in the proportion (as nearly as may be) to such holders' holdings of such shares (or, as appropriate, to the number of shares which such other persons are for these purposes deemed to hold) subject only to such exclusions or other arrangements as the director may feel necessary or expedient to deal with fractional entitlements or the regulations or requirements of any recognised regulatory body in any territory; and
  - (c) to the allotment otherwise than pursuant to sub paragraph (a) above of equity securities up to an aggregate nominal value of £48,793, and shall expire 15 months after the date of passing of this resolution or at the conclusion of the next annual general meeting of the Company to be held in 2001 whichever first occurs, save that the company may before such expiry make an offer or agreement which would or might require equity securities to be allocated after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power confirmed thereby had not expired.

**By order of the Board**  
David Birch  
Director and Secretary  
16 June 2000

**Registered Office:**  
5/6 Beauchamp Court  
Victors Way  
High Barnet  
Hertfordshire EN5 5TZ

## NOTES:

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him/her. A proxy need not be a member of the Company.

A form of proxy is provided with this notice and instructions for use are shown below. Deposit of the form of proxy will not prevent a member from attending the meeting and voting in person.

The Company specifies, pursuant to Regulation 34 of the Uncertificated Securities Regulation 1995, that only those shareholders registered in the register of members of the Company after close of business on 28 July 2000 shall be entitled to attend or vote at the Annual General Meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.



# IF YOU WISH TO APPOINT A PROXY PLEASE READ THE NOTES BELOW:

To exercise your voting rights, you may yourself attend and vote at the annual general meeting or you may appoint a "proxy" to vote on your behalf. If you wish to appoint a proxy, please read the notes below and complete the card enclosed in this pack.

1. You may appoint anyone to be your proxy and that person need not be a shareholder.

If you wish to appoint the Chairman, you need not change this part of the form.

If you are an ordinary shareholder and you wish to appoint someone else as your proxy you should:

- (a) delete the words "the Chairman of the meeting or" on the form; and
- (b) write the name and address of the person you wish to appoint as your proxy in the space provided.

A person appointed as a proxy will be asked to disclose on arrival that he or she is acting for you.

2. The resolutions to be voted on at the meeting are listed on the form of proxy.

You may instruct your proxy how to vote on each of the resolutions by ticking the appropriate box opposite the resolution:

- (a) if your proxy is to vote for a resolution, please tick the "For" box;
- (b) if your proxy is to vote against a resolution, please tick the "Against" box;
- (c) if you give no specific instruction, your proxy will have discretion to vote on your behalf. Additionally the proxy will also have discretion to vote on any further or amended resolutions put to the meeting and can also vote at any adjournment of the meeting.

If you indicate how you wish your proxy to vote by ticking some or all of the boxes, this discretion will be removed with respect to any further or amended resolutions at the annual general meeting and at any adjournment of the meeting.

3. The form must be signed. In the case of the joint holders, any one of them may sign.

If necessary, someone else may sign the form on your behalf. In that case, a copy of the authority under which the form is signed must be sent with the form. If a proxy is being appointed by an attorney, the power of attorney must be sent with the form, unless it has been previously lodged with the Company.

If a corporation is appointing the proxy, the form must be either under seal or under the hand of an attorney or duly authorised officer of the corporation and the appropriate power of attorney or other authority lodged with the form.

4. After completion, the form must be lodged with IRG plc, Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

To be valid the form must arrive by 11 a.m. on Friday 28th July 2000.

If you are unable to attend the annual general meeting and do not return the form of proxy correctly completed, your votes will not be cast at the meeting.

# COMPANY INFORMATION

Offices:	Head Office: 5/6 Beauchamp Court Victors Way, High Barnet Hertfordshire EN5 5TZ Tel: 020 8275 3400 Fax: 020 8441 5442  City Offices: 25 Angel Gate, City Road London EC1V 2PT Tel: 020 7841 7300 Fax: 020 7713 1480  Suite 260, Salisbury House London Wall London EC2M 5QQ Tel: 020 7628 4202 Fax: 020 7628 4472
Directors	Philip Birch - Non-executive Chairman Keith Birch - Managing Director David Birch - Commercial Director Chris Butler - Finance Director David de Carle - Non-executive Director David Thompson - Non-executive Director
Registered office	5/6 Beauchamp Court Victors Way High Barnet Herts EN5 5TZ
Secretary	David Birch
Nominated adviser	KPMG Corporate Finance 8 Salisbury Square London EC4Y 8BB
Nominated broker	Charterhouse Securities Limited Dashwood House 69 Old Broad Street London EC2M 1NX
Solicitors	Taylor Joynson Garrett Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0DX
Auditors	KPMG Audit Plc 8 Salisbury Square London EC4Y 8BB
Bankers	National Westminster Bank plc North London Business Centre PO Box 6333 2/3 Upper Street London N1 0QE
Registrars	IRG plc Bourne House 34 Beckenham Road Beckenham Kent BR3 4TU





## TOUCHSTONE GROUP PLC

5/6 Beauchamp Court  
Victors Way, High Barnet  
Hertfordshire EN5 5TZ

Telephone: 020 8275 3400

Facsimile: 020 8441 5442

[www.touchstone.co.uk](http://www.touchstone.co.uk)