

Directors' report

For the year ended 31 March 2000

The directors present their annual report on the affairs of the group together with the financial statements and auditors' report for the year ended 31 March 2000.

Principal activities

The company is a holding company. The principal activity of the trading subsidiaries is the marketing and development of computer software for engineering and related applications.

Business review

A review of the group's operations during the year and its plans for the future is given in the Chairman's and Chief Executive's Statement.

The group made a profit for the year after taxation of £2,950,000 (1999 – £1,896,000). Sales were £23,889,000 (1999 – £17,861,000) with exports representing 82% (1999 – 82%) of the business.

Creditors payment practice

The company has no trade creditors.

Results and dividends

The group results and dividends are as follows:

	£000
Group profit for the year after taxation	2,950
Dividends paid and proposed	
– interim dividend paid 1.8p per 10p ordinary share	(300)
– final proposed of 3.6p per 10p ordinary share	(602)
	<hr/>
Retained profit for the year	2,048
	<hr/>

Research and development

The group continues an active programme of research and development and all costs are expensed as incurred. The research and development programme covers the updating and extension of the group's range of products.

Intellectual property

The group owns intellectual property both in its software tools and the products derived from them. This includes the product known as PDMS. The directors consider these to be of significant value to the business, but that it is not appropriate to ascribe a monetary value to them in the financial statements.

Directors' report

(continued)

Directors and their interests

The directors who served during the year under review are shown below:

- * R A King (Chairman)
 - A D Christian (appointed 1 May 1999)
 - J R Dersley
 - * J R F Fairbrother
 - J C Gray (retired 25 September 1999)
 - P D Littleton (appointed 1 May 1999)
 - R Longdon
 - * D W Mann (appointed 8 June 1999)
- * Non-executive directors

The beneficial interests in the shares of the company of directors who held office at 31 March 2000 are as follows:

	2000	1999
		(or subsequent date of appointment)
	10p ordinary shares Number	10p ordinary shares Number
R A King	156,250	156,250
A D Christian	4,512	4,512
J R Dersley	911,000	905,000
R Longdon	953,000	950,000
D W Mann	17,800	-

No changes took place in the interests of directors between 31 March 2000 and 24 May 2000.

Other substantial shareholdings

On 17 May 2000, the company had been notified in accordance with sections 198 to 208 of the Companies Act 1985, of the following interests in the ordinary share capital of the company:

Name of holder	Percentage	
	Number	held
3i Group plc	3,165,772	18.92
National Westminster Bank plc	2,150,969	12.86
Invesco English and International Trust	763,000	4.56
University of Cambridge	675,000	4.03
BT Pension Scheme	652,300	3.90
Standard Life Investments Ltd	649,321	3.88
PS European Enterprise Fund	620,220	3.71

Directors' report

(continued)

Charitable Contributions

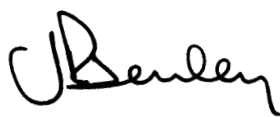
During the year the group made charitable donations of £3,800 (1999 – £nil).

Auditors

The directors will place a resolution before the annual general meeting to re-appoint Arthur Andersen as auditors for the ensuing year.

High Cross
Madingley Road
Cambridge
CB3 0HB

By order of the Board,



J R Dersley
Secretary

24 May 2000

Board of directors

Richard King CBE, aged 70, Chairman

Richard King was appointed Chairman of Cadcentre in August 1994. Previously he held a number of senior managerial appointments in Philips N.V. in the UK, USA and Australia. Subsequently he formed Cambridge Electronic Industries plc which was floated on the London Stock Exchange. He was Chief Executive from 1980 to 1990. Since then he has been directly involved in a number of high technology companies as Chairman or as Director. Currently he is Chairman of Cambridge Research and Innovation Limited, Deputy Chairman of Addenbrooke's Trust, Deputy Chairman of Xaar plc, a Director of Lionheart Management Services and Cambridge Technology Management. He is a Fellow of Darwin College, Cambridge.

Richard Longdon, aged 44, Chief Executive

Richard Longdon received an engineering training in the defence industry then gained experience in the project management of high value engineering projects. He moved into sales and held a series of international sales and marketing positions. He joined Cadcentre in 1984 and shortly afterwards was made marketing manager for the process products. In January 1992 he relocated to Frankfurt where he was responsible for setting up and running the group's German office. He returned to the UK as part of the management buyout team in 1994 subsequently taking responsibility for the group's worldwide sales and marketing activities before being appointed Managing Director last year and subsequently Chief Executive.

John Dersley FCA, aged 51, Finance Director and Company Secretary

John Dersley qualified as a Chartered Accountant in 1971 then spent four years with the London office of Price Waterhouse including one year with the Insolvency Department. He moved into industry through internal audit and then into line management with a manufacturing company. He joined the UK subsidiary of a US group as Administration Manager, before moving to Cadcentre as Financial Controller and Company Secretary immediately after its privatisation in 1983. Appointed Finance Director in 1989, he was part of the management buyout team in 1994 and the flotation team in 1996.

Tony Christian, aged 45, Services and Technology Director

Tony Christian joined Cadcentre in 1998 from Computer Sciences Corporation (CSC), the global IT consulting and services firm. He was a director of CSC's UK Consulting and Systems Integration Division and managed a consulting practice working in the petrochemical sector. He holds a Bachelor's degree in Mechanical Engineering and a Master's degree in Acoustics from the University of Nottingham. He held research and development posts at Racal and British Rail before moving into the CAD industry in 1982. His subsequent software industry experience includes three years with the factory control systems subsidiary of British Aerospace and four years with the computing subsidiary of Davy Corporation (now part of Kvaerner Group), where he headed the Division responsible for its process industry solutions. Cadcentre's broader product portfolio and growing services activity have been merged into a new Services and Technology Division, and Tony has recently moved from his previous role as Managing Director of Cadcentre International Limited to head up this Division.

Board of directors

(continued)

Jeremy Fairbrother, aged 60, Non-Executive Director

Jeremy Fairbrother was educated at Balliol College, Oxford. He became a non-executive director of Cadcentre in 1994 and now chairs the audit and remuneration committees. He was a director at Baring Brothers & Co., Limited from 1982 to 1992. He left Barings in June 1992 to take up his present appointment as Senior Bursar at Trinity College Cambridge. He is a non-executive director of Abbey National Treasury Services (the authorised wholesale banking subsidiary of Abbey National plc). He sits on the Finance Committee of the University of Cambridge and is Chairman of the Investment Sub-Committee which is responsible for the University's Amalgamated Fund.

Peter Littleton, aged 48, President – Cadcentre Inc.

Peter Littleton was educated at the University of Pennsylvania. He has been involved with various aspects of Computer Graphics for the past 20 years. He worked at Day and Zimmerman, Inc., a large engineering and construction firm in Philadelphia. Peter then moved to the Boston area and was responsible for the international and domestic marketing of the CADDs 4x AEC offering from Computervision. He was Vice President of Sales & Marketing at Geographic Data Technology, in New Hampshire until 1996 when he joined Cadcentre Inc.

David Mann, aged 56, Non-Executive Director

David Mann was educated at Jesus College, Cambridge and spent twenty-five years with Logica plc. He became head of worldwide operations, then Group Chief Executive and finally Deputy Chairman before leaving the company in 1994. He is Chairman of the management consultancy Charteris Ltd, non-executive Chairman of Flomerics Group plc (quoted on AIM) and acting non-executive Chairman of Eurolink Managed Services (also on AIM). He was President of the British Computer Society in 1994 to 1995 and Master of the Worshipful Company of Information Technologists in the City of London in 1997 to 1998.

Corporate governance statements

Statement of compliance with the Code of Best Practice

The company has complied throughout the year with the Provisions of the Code of Best Practice set out in section 1 of the Combined Code, published by the Hampel Committee and the London Stock Exchange, except in the following matters:

- The formal identification of J R F Fairbrother as the senior independent director was not made until 7 June 1999, although J R F Fairbrother was a non-executive director throughout the year.
- On 30 September 1998 D Cheesman retired from the board. As a result, the audit committee comprised only two non-executive directors from that date. A third non-executive director, D W Mann, was appointed on 8 June 1999.

Statement about applying the Principles of Good Governance

The company has applied the Principles of Good Governance set out in section 1 of the Combined Code by complying with the Code of Best Practice as described above. Further explanation of how the Principles have been applied is set out below and, in connection with directors' remuneration, in the remuneration report.

Board of directors

The executive directors of the group are fully involved in its management at all levels, and its direction and control remains firmly in their hands. The board is fully involved in the nomination, selection and appointment of non-executive and executive directors, although there is no formal written procedure in place.

The board currently comprises the non-executive chairman, two non-executive directors, including the senior independent director, and four executive directors. The board meets at least eight times during the year. It is responsible for the business and commercial strategy of the group, monitoring progress, the approval of major transactions and the approval of the financial statements and operating and capital expenditure budgets. A nomination committee for board appointments has not been established, because the full board is actively involved in all appointments. There is currently no intention to form a nomination committee given the board's size.

Audit Committee

The Audit Committee comprises the three non-executive directors and is chaired by J R F Fairbrother, the senior independent director, with R A King and D W Mann (appointed 8 June 1999) as members. The Committee meets as required to review the scope of the audit and the audit procedures, the format and content of the audited financial statements, including their notes and the accounting principles applied. The Committee will also review any proposed change in accounting policies and any recommendations from the group's auditors regarding improvements to internal controls and the adequacy of resources within the group's finance function.

Dialogue with institutional shareholders

The chief executive and the finance director have meetings with representatives of institutional shareholders at least twice annually. These meetings seek to build a mutual understanding of objectives by discussing long term issues and obtaining feedback. All shareholders are encouraged to participate in the company's annual general meeting.

Corporate governance statements

(continued)

Internal financial control

The board of directors has overall responsibility for ensuring that the group maintains a system of internal financial control to provide it with reasonable assurance regarding the reliability of financial information used both within the business and for publication, and that assets are safeguarded. There are inherent limitations in any system of internal financial control and accordingly even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of financial information and the safeguarding of assets.

The directors have limited their comments regarding the group's system of internal control to internal financial controls, as permitted by the London Stock Exchange. Procedures necessary to implement the guidance contained in the publication "Internal Control: Guidance for directors on the Combined Code" have been established. The key procedures that have been established and that are designed to provide effective internal financial control are described below:

- Asset safeguards – ensuring that assets are adequately insured, that protection of intellectual property is appropriate and that company bank accounts are accessible only at the appropriate authority level. Transactions involving real property, charges over assets of the company, the acquisition or disposal of shares or businesses are all among the matters specifically reserved to the board of directors.
- Information systems and monitoring – the board approves the annual budget and there is monthly reporting for financial information to the board, including comment, comparison to budgets and periodic re-forecasting.
- Business risks – any litigation in prospect or the fact that there is none is reported at every board meeting. Substantial capital commitments are subject to prior board approval, as is the approval process. Any departures from budgeted activities are first approved by the board.

The Combined Code requires directors, at least annually, to conduct a review of the effectiveness of the group's system of internal financial control. The directors have performed such a review. As far as the directors are aware, there have been no weaknesses in internal financial control that have resulted in any material losses, contingencies or uncertainties requiring disclosure in the financial statements.

Remuneration report

As well as complying with the Provisions of the Code as disclosed in the company's corporate governance statements, the board has applied the Principles of Good Governance relating to directors' remuneration as described below.

Remuneration Committee

The Committee is made up of two of the non-executive directors, R A King and J R F Fairbrother, and is chaired by the senior independent director, J R F Fairbrother.

The principal function of the Committee is to make recommendations to the board on the group's policy for executive remuneration, and to determine the individual remuneration packages on behalf of the board for the executive directors and senior managers within the group. Information prepared by independent consultants and appropriate survey data on the remuneration practices of comparable companies is taken into consideration. Members of the Committee do not participate in decisions concerning their own remuneration.

Remuneration policy

The policy is to ensure that the group has remuneration packages in place by which it can recruit and retain high quality management. In setting the packages for executive directors and senior managers, the Committee benchmarks against companies of a similar size, structure and complexity.

Remuneration packages consist of basic salary, bonus, benefits in kind and contributions to pension schemes.

Remuneration report

(continued)

Directors' remuneration

The total amounts for directors' remuneration and other benefits were as follows:

Name of director	Basic salary £000	Fees £000	Bonus £000	Benefits in kind £000	2000 Total £000	1999 Total £000
<i>Non-executive</i>						
R A King	-	25	-	-	25	25
D W Mann	-	10	-	-	10	-
J R F Fairbrother	-	11	-	-	11	10
<i>Executive</i>						
A D Christian	115	-	69	11	195	-
J C Gray	52	-	-	6	58	130
J R Dersley	126	-	75	13	214	112
R Longdon	126	-	75	13	214	112
P D Littleton	112	-	109	9	230	-
Aggregate emoluments	531	46	328	52	957	389

The following unexercised options were granted to A D Christian and P D Littleton before their appointment as director.

	Date of option granted	No. of shares	Exercise price	Earliest exercise date
A D Christian	1 June 1998	150,000	272.5 pence	1 June 2001
P D Littleton	27 November 1996	50,000	50.4 pence	27 November 1999
	27 November 1996	50,000	200.0 pence	24 May 2000

The options granted on 27 November 1996 at 200.0p are subject to performance conditions which could only be satisfied with the publication of this Annual Report on 24 May 2000. All subsequent options are also subject to similar performance conditions.

These options are normally exercisable in full or in part between the third and seventh anniversaries of the date of grant.

It is the group's policy to grant new options once in each financial year to staff who have joined the group since the date of the previous grant.

Pensions

R Longdon, J R Dersley and A D Christian are members of the Cadcentre Limited defined benefit pension scheme. It is a contributory, funded, final salary, occupational pension scheme approved by the Inland Revenue. Under this scheme they are entitled to a pension on normal retirement, or on retirement due to ill-health, equivalent to two-thirds of their pensionable salary provided they have completed (or would have completed in the case of ill-health) 25 years' service. In the event of voluntary early retirement a lower pension is payable if the company so agrees, provided they have attained age 50. Pensions are payable to dependents on the director's death in retirement and a lump sum is payable if death occurs in service.

Remuneration report

(continued)

Pensions (continued)

The following directors had accrued entitlements under the pension scheme as follows:

	Increase in accrued pension	Transfer value of increase	Annual pension at normal retirement date	
			Service to 31 March 2000	Service to 31 March 1999
	£	£	£	£
A D Christian	3,430	29,280	6,130	2,670
J C Gray	2,060	32,750	32,710	30,710
J R Dersley	14,420	171,170	57,630	42,730
R Longdon	13,720	114,260	54,210	40,050

The increase in accrued pension during the year excludes any increase for inflation.

The transfer value has been calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note GN11 less directors' contributions.

Members of the scheme have the option to pay Additional Voluntary Contributions; neither the contributions nor the resulting benefits are included in the above table.

Service contracts

The service contracts for R Longdon and J R Dersley provides for a 52 week notice period, and those of A D Christian and P D Littleton provide for a 26 week notice period. The Committee considers this to be in the best interests of the group to ensure stability in senior management, a profitable growth path for the business and to ensure that the business is in line with other companies of a similar size and nature. The service contracts for the non-executive directors provide for a three month notice period and for them to retire at any Annual General Meeting where they are so required by the Articles of Association.

Directors' responsibilities

Financial statements, including adoption of going concern basis

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 of the group for that period.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In preparing the 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; and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Other matters

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the Shareholders of Cadcentre Group plc:

We have audited the financial statements on pages 14 to 37 which have been prepared under the historical cost convention and the accounting policies set out on pages 19 to 21. We have also examined the amounts disclosed relating to emoluments, share options and pension benefits of the directors which form part of the remuneration report on pages 9 and 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report including, as described on page 11, preparing 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, the Listing Rules of the Financial Services Authority, 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 or the Listing Rules regarding directors' remuneration and transactions with the company and the group is not disclosed.

We review whether the corporate governance statement on pages 6 to 7 reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Financial Services Authority, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the company's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial 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 audit 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 judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company and of the group, 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.

Auditors' report

(continued)

Opinion

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



Arthur Andersen

Chartered Accountants and Registered Auditors

Betjeman House
104 Hills Road
Cambridge
CB2 1LH

24 May 2000

Consolidated profit and loss account

For the year ended 31 March 2000

	Notes	2000 £000	1999 £000
Turnover			
Existing operations		22,741	17,861
Acquisitions		1,148	-
		<hr/>	<hr/>
Cost of sales	2 3	23,889 (7,882)	17,861 (6,575)
		<hr/>	<hr/>
Gross profit			
Existing operations		15,594	11,286
Acquisitions		413	-
		<hr/>	<hr/>
Other operating expenses (net)	4	16,007 (11,768)	11,286 (8,448)
		<hr/>	<hr/>
Operating profit			
Existing operations		4,222	2,838
Acquisitions		17	-
		<hr/>	<hr/>
Finance income (net)	5	4,239 99	2,838 163
		<hr/>	<hr/>
Profit on ordinary activities before taxation	6	4,338	3,001
Tax on profit on ordinary activities	8	(1,388)	(1,105)
		<hr/>	<hr/>
Profit on ordinary activities after taxation, being profit for the financial year		2,950	1,896
Dividends paid and proposed on equity shares	9	(902)	(797)
		<hr/>	<hr/>
Retained profit for the year	20	2,048	1,099
		<hr/>	<hr/>
Basic earnings per share	10	17.72p	11.41p
		<hr/>	<hr/>
Diluted earnings per share	10	17.40p	11.21p
		<hr/>	<hr/>

The accompanying notes are an integral part of this consolidated profit and loss account.

Consolidated statement of total recognised gains and losses

For the year ended 31 March 2000

	2000	1999
	£000	£000
Profit for the financial year	2,950	1,896
Translation gain arising on consolidation	60	10
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	3,010	1,906
	<hr/>	<hr/>

The accompanying notes are an integral part of this consolidated statement of total recognised gains and losses.

Consolidated balance sheet

31 March 2000

	Notes	2000 £000	1999 £000
Fixed assets			
Goodwill	11	2,381	2,648
Intangible assets	11	3,063	-
Tangible assets	12	3,409	2,927
Investments	13	-	6
		<hr/>	<hr/>
		8,853	5,581
		<hr/>	<hr/>
Current assets			
Debtors	14	7,956	6,863
Cash at bank and in hand		4,214	4,307
		<hr/>	<hr/>
		12,170	11,170
Creditors: Amounts falling due within one year	15	(9,946)	(8,021)
		<hr/>	<hr/>
Net current assets		2,224	3,149
		<hr/>	<hr/>
Total assets less current liabilities		11,077	8,730
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	16	-	(7)
Provisions for liabilities and charges	18	(191)	-
		<hr/>	<hr/>
Net assets		10,886	8,723
		<hr/>	<hr/>
Capital and reserves			
Called-up share capital	19	1,673	1,662
Share premium account	20	6,877	6,833
Profit and loss account	20	2,336	228
		<hr/>	<hr/>
Shareholders' funds – all equity	21	10,886	8,723
		<hr/>	<hr/>

The accompanying notes are an integral part of this consolidated balance sheet.

Company balance sheet

31 March 2000

	Notes	2000 £000	1999 £000
Fixed assets			
Investments	13	7,205	7,205
		<hr/>	<hr/>
Current assets			
Debtors	14	2,675	2,433
Cash at bank and in hand		46	64
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	15	2,721 (602)	2,497 (532)
		<hr/>	<hr/>
Net current assets		2,119	1,965
		<hr/>	<hr/>
Total assets less current liabilities being net assets		9,324	9,170
		<hr/>	<hr/>
Capital and reserves			
Called-up share capital	19	1,673	1,662
Share premium account	20	6,877	6,833
Profit and loss account	20	774	675
		<hr/>	<hr/>
Shareholders' funds – all equity		9,324	9,170
		<hr/>	<hr/>

The accompanying notes are an integral part of this balance sheet.

Signed on behalf of the Board

R A King

 Directors

R Longdon



24 May 2000

Consolidated cash flow statement

For the year ended 31 March 2000

	Notes	2000 £000	1999 £000
Net cash inflow from operating activities	22	6,388	3,588
Returns on investments and servicing of finance	23	99	163
Taxation	23	(1,090)	(1,072)
Capital expenditure and financial investment	23	(4,609)	(1,345)
Acquisition	23	2	(929)
Equity dividends paid		(832)	(665)
		<hr/>	<hr/>
Cash outflow before management of liquid resources and financing		(42)	(260)
Management of liquid resources	23	-	1,400
Financing	23	34	(126)
		<hr/>	<hr/>
(Decrease) increase in cash in the year	24	(8)	1,014
		<hr/>	<hr/>

The accompanying notes are an integral part of this consolidated cash flow statement.

Notes to the financial statements

31 March 2000

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Basis of consolidation

The group financial statements consolidate the financial statements of Cadcentre Group plc and its subsidiary undertakings made up to 31 March 2000. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

No profit and loss account is presented for Cadcentre Group plc as provided by Section 230 of the Companies Act 1985. The company's profit after taxation for the financial year, determined in accordance with the Act, was £1,001,000 (1999 – profit £1,006,000).

c) Intangible assets

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is between seven and a maximum of twenty years. Provision is made for any impairment.

Goodwill arising on acquisitions in the year ended 31 March 1998 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

Purchased software rights are included at cost and depreciated in equal annual instalments over a period of ten years, which is the estimated useful economic life. Provision is made for any impairment.

d) Research and development

Research and development expenditure is written off in the year of expenditure.

e) Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

The group has taken advantage of the transitional provisions of FRS 15 Tangible Fixed Assets and retained the book amounts of certain freehold properties which were revalued prior to implementation of that standard. The properties were last revalued in 1994 and the valuations have not subsequently been updated.

Notes to the financial statements

(continued)

1 Accounting policies (continued)

e) *Tangible fixed assets (continued)*

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer equipment	-	24%
Office equipment	-	15%
Fixtures and fittings	-	12%
Motor vehicles	-	25%

Leasehold property is amortised on a straight-line basis over the period of the lease.

Residual value is calculated on prices prevailing at the date of acquisition. Profits or losses on the disposal of fixed assets are included in the calculation of operating profit.

f) *Investments*

Fixed asset investments are shown at cost less provision for impairment.

g) *Taxation*

Current tax including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced, except that the deferred tax effects of timing differences arising from pensions and other post-retirement benefits are always recognised in full.

h) *Pension costs*

The group operates a defined benefit pension scheme available to all UK employees after a qualifying period, which is contracted out of the state scheme. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the group benefits from the employees' services. The effect of variations from regular cost is spread over the expected average remaining service lives of current members of the scheme. The pension cost is assessed in accordance with the advice of qualified actuaries.

The group also operates a defined contribution pension scheme for a number of non-UK employees. Costs are charged to the profit and loss account as incurred.

Notes to the financial statements

(continued)

1 Accounting policies (continued)

i) Foreign currency

Transactions denominated in foreign currencies are recorded at actual exchange rates as of the date of the transaction, or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end, or, where appropriate at the forward contract rate. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

The results of overseas subsidiary undertakings are translated at the average exchange rate during the year, and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas subsidiary undertakings are dealt with through reserves.

j) Turnover

Turnover comprises the invoiced value of initial licence fees, maintenance fees, income from consultancy and other allied services to third party customers (excluding VAT and similar taxes and trade discounts). Maintenance fees are allocated to the accounting periods to which they relate.

k) Leases

Rentals payable under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis.

Where fixed assets are financed by leasing arrangements which transfer to the group substantially all the benefits and risks of ownership, the assets are treated as if they had been purchased outright and are included in tangible fixed assets. The capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

l) Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to foreign exchange risk. The group does not hold or issue derivative financial instruments for speculative purposes.

For a forward foreign exchange contract to be treated as a hedge the instrument must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign currency exchange movements on the group's operations. Gains and losses arising on these contracts are deferred and recognised in the profit and loss account, or as adjustments to the carrying amount of fixed assets, only when the hedged transaction has itself been reflected in the group's financial statements.

Notes to the financial statements

(continued)

2 Turnover

An analysis of turnover by geographical area is set out below:

	2000	1999
	£000	£000
United Kingdom	4,292	3,218
Europe, Middle East and Africa	8,874	7,861
Americas	6,608	5,028
Far East	4,115	1,754
	<hr/>	<hr/>
	23,889	17,861
	<hr/>	<hr/>

No further segmental analysis is given as, in the opinion of the directors, disclosure of this information would be seriously prejudicial to the interests of the group.

3 Cost of sales

	2000	1999
	£000	£000
Existing operations	7,147	6,575
Acquisitions	735	-
	<hr/>	<hr/>
	7,882	6,575
	<hr/>	<hr/>

4 Other operating expenses (net)

	2000	1999
	£000	£000
Selling costs – existing operations	7,372	6,168
Administrative expenses		
– Existing operations	4,000	2,280
– Acquisitions	396	-
	<hr/>	<hr/>
	11,768	8,448
	<hr/>	<hr/>

5 Finance income (net)

	2000	1999
	£000	£000
Bank interest receivable	131	171
	<hr/>	<hr/>
Bank interest payable	(31)	-
Finance leases	(1)	(8)
	<hr/>	<hr/>
	(32)	(8)
	<hr/>	<hr/>
Finance charges (net)	99	163
	<hr/>	<hr/>

Notes to the financial statements

(continued)

6 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2000	1999
	£000	£000
Depreciation of tangible fixed assets		
–owned	884	661
–held under finance leases	49	82
Amortisation of purchased software rights	137	-
Amortisation of goodwill	267	21
Auditors' remuneration		
–audit fees	86	61
–non-audit fees	53	35
Research and development costs	4,338	3,326
Operating lease rentals		
–motor vehicles	332	313
–other	15	89
	<hr/>	<hr/>

7 Staff costs

Particulars of employees (including executive directors) are shown below:

	2000	1999
	£000	£000
Wages and salaries	9,229	6,894
Social security costs	835	728
Other pension costs	721	656
	<hr/>	<hr/>
	10,785	8,278
	<hr/>	<hr/>

The average monthly number of persons (including executive directors) employed by the group was as follows:

	2000	1999
	Number	Number
Research, development and product support	88	68
Sales, marketing and customer support	116	104
Administration	24	22
	<hr/>	<hr/>
	228	194
	<hr/>	<hr/>

Notes to the financial statements

(continued)

8 Tax on profit on ordinary activities

The tax charge comprises:

	2000	1999
	£000	£000
UK corporation tax	498	643
Double tax relief	(70)	(114)
	<hr/>	<hr/>
	428	529
Foreign tax	769	578
Deferred tax	191	-
	<hr/>	<hr/>
	1,388	1,107
Adjustment in respect of prior years		
– UK corporation tax	-	(2)
	<hr/>	<hr/>
	1,388	1,105
	<hr/>	<hr/>

9 Dividends paid and proposed on equity shares

	2000	1999
	£000	£000
Interim dividend paid of 1.8p (1999 – 1.6p) per 10p ordinary share	300	265
Final dividend proposed of 3.6p (1999 – 3.2p) per 10p ordinary share	602	532
	<hr/>	<hr/>
	902	797
	<hr/>	<hr/>

10 Earnings per share

The calculations of earnings per share are based on the profit after tax for the year and the following weighted average numbers of shares:

	2000	1999
	Number	Number
For basic earnings per share	16,651,512	16,622,000
Exercise of share options	301,264	298,350
	<hr/>	<hr/>
For diluted earnings per share	16,952,776	16,920,350
	<hr/>	<hr/>

Notes to the financial statements

(continued)

11 Intangible fixed assets

Group	Purchased software rights £000	Goodwill £000
Cost		
At 1 April 1999	-	2,669
Additions	3,200	-
	<hr/>	<hr/>
At 31 March 2000	3,200	2,669
	<hr/>	<hr/>
Amortisation		
At 1 April 1999	-	21
Charge for the year	137	267
	<hr/>	<hr/>
At 31 March 2000	137	288
	<hr/>	<hr/>
Net book value		
At 1 April 1999	-	2,648
	<hr/>	<hr/>
At 31 March 2000	3,063	2,381
	<hr/>	<hr/>

Purchased goodwill arose on acquisition of rights to integrate, develop and market 3D design software from AEA Technology on 30 March 1999. The initial cost of goodwill was £2,169,000.

In addition, on 12 November 1998 Cadcentre agreed to acquire from the distributor Kyokuto Boeki Kaisha all Cadcentre's business in Japan. The goodwill arising on acquisition was £500,000.

Purchase of software rights arose in the year on acquisition of the products 'FOCUS' for £1,700,000 on 13 September 1999 and 'VANTAGE' for £1,500,000 on 2 December 1999.

The company had no intangible fixed assets.

Notes to the financial statements

(continued)

12 Tangible fixed assets

	Long leasehold land and buildings	Computer equipment	Fixtures, fittings and office equipment	Motor vehicles	Total
Group	£000	£000	£000	£000	£000
Cost					
At 1 April 1999	1,100	4,292	581	293	6,266
Additions	-	913	416	103	1,432
Disposals	-	-	-	(45)	(45)
At 31 March 2000	1,100	5,205	997	351	7,653
Depreciation					
At 1 April 1999	111	2,866	304	58	3,339
Charge for the year	22	727	111	73	933
Disposals	-	-	-	(28)	(28)
At 31 March 2000	133	3,593	415	103	4,244
Net book value					
At 1 April 1999	989	1,426	277	235	2,927
At 31 March 2000	967	1,612	582	248	3,409

The following are included in the net book values given above:

	2000 £000	1999 £000
Assets held under finance leases		
- Computer equipment	-	49
- Motor vehicles	-	22
	-	71

The company had no tangible fixed assets.

Notes to the financial statements

(continued)

13 Fixed asset investment

	2000		1999	
	Group	Company	Group	Company
	£000	£000	£000	£000
Subsidiary undertakings	-	7,205	-	7,205
Associated undertaking	-	-	6	-
	-	7,205	6	7,205

All subsidiary undertakings have been included in the consolidation.

At 31 March 2000 the parent company and the group had the following investments:

Name of undertaking	Country of incorporation or registration	Principal activity	Description and proportion of shares and voting rights held
Cadcentre Limited	Great Britain	Software development and marketing	100% ordinary shares of £1 each
Cadcentre Inc.	USA	Software marketing	100% common stock of US\$1 each
Cadcentre GmbH	Germany	Software marketing	100% ordinary shares of DM50,000 each
Cadcentre SA	France	Software marketing	100% ordinary shares of 200 FF each
Cadcentre East Asia Limited	Hong Kong	Software marketing	100% ordinary shares of HK\$1 each
Cadcentre Property Limited	Great Britain	Holding property	100% ordinary shares of £1 each
Cadcentre Pension Trustee Limited	Great Britain	Trustee company	100% ordinary shares of £1 each
Cadcentre International Limited	Great Britain	Software marketing	100% ordinary shares of £1 each
Isopipe GB Limited	Great Britain	Non-trading	100% ordinary shares of £1 each
Cadcentre A/S	Norway	Training and consultancy	100% ordinary shares of NOK 500 each
Cadcentre KK	Japan	Software marketing	100% ordinary shares of 50,000 Yen each
Cadcentre Sendirian Berhad	Malaysia	Software marketing	100% ordinary shares of MRY 1 each

All subsidiaries except Cadcentre Limited are indirectly owned.

Notes to the financial statements

(continued)

13 Fixed asset investments (continued)

Acquisition of subsidiary undertaking

On 1 April 1999, the group acquired 66% of the issued share capital of Cadcentre A/S for cash consideration of £9,000 bringing the group's holding to 100%.

The acquisition has been accounted for by the acquisition method of accounting. The consideration represented 66% of the fair value of the net assets of the company, and as such no goodwill arose.

14 Debtors

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Amounts falling due within one year:				
Trade debtors	7,570	-	6,201	-
Amounts owed by group undertakings	-	2,675	-	2,433
Prepayments	386	-	622	-
Accrued income	-	-	40	-
	<u>7,956</u>	<u>2,675</u>	<u>6,863</u>	<u>2,433</u>

15 Creditors: Amounts falling due within one year

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Obligations under finance leases	7	-	21	-
Trade creditors	470	-	476	-
Corporation tax payable	983	-	876	-
Social security, PAYE and VAT	539	-	178	-
Other creditors	375	-	296	-
Accruals	2,256	-	908	-
Deferred income	4,714	-	4,734	-
Proposed dividend	602	602	532	532
	<u>9,946</u>	<u>602</u>	<u>8,021</u>	<u>532</u>

Notes to the financial statements

(continued)

16 Creditors: Amounts falling due after more than one year

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Obligations under finance leases	-	-	7	-
	-	-	7	-

Analysis of borrowings

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Amounts payable:				
- in one year or less	7	-	21	-
- between one and two years	-	-	7	-
	7	-	28	-

17 Derivatives and other financial instruments

The disclosures in this note deal with financial assets and financial liabilities as defined in Financial Reporting Standard 13 "Derivatives and other financial instruments". Certain financial assets such as investments in subsidiaries are excluded from the scope of these disclosures.

The group's financial instruments comprise finance leases, cash and liquid resources, and various items, such as trade debtors and trade creditors, that arise directly from its operations. As permitted by FRS 13, short-term debtors and creditors have also been excluded from the disclosures (except as indicated below).

It is, and has been, throughout the period under review, the group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The board reviews and agrees policies for managing such risks on a regular basis as summarised below.

Interest rate and liquidity risks

The group holds net funds, and hence its interest rate risk and liquidity risk are associated with short term cash deposits. The group's overall objective with respect to holding these deposits is to maintain a balance between accessibility of funds and competitive rates of return. In practice this has meant that no deposits have been made with a maturity date greater than three months in the course of the year.

Notes to financial statements

(continued)

17 Derivatives and other financial instruments (continued)

Foreign currency risk

Foreign currency risk arises from the group undertaking a significant number of foreign currency transactions in the course of operations. Where such transactions are material, the board has a policy of entering into foreign currency contracts or currency matching to help manage currency risk. The group's objectives in managing the currency exposure arising from its net investments overseas are to maintain a low cost of borrowing and to retain some potential for currency related appreciation, while partially hedging against currency depreciation. Gains and losses arising from these structural currency exposures are recognised in the statement of total recognised gains and losses.

Interest rate profile

The group has financial assets denominated in both sterling and currency deposits.

These comprise deposits at short term rates.

	2000	1999
	£000	£000
Sterling	(28)	1,057
US Dollar	1,539	1,110
Deutsche Marks	926	1,250
French Francs	122	161
Euro	759	244
Yen	879	485
Norwegian Kroner	17	-
Total	4,214	4,307

The weighted average rate of interest and average maturity date for applicable deposits are as follows:

	Interest rate	Maturity
Sterling	5.01%	1 month
US Dollar	5.21%	7 day
Deutsche Marks	4.13%	7 day
Euro	2.53%	7 day

The Yen, French Franc and Norwegian Kroner deposits are held in clearing accounts, which bear only a marginal rate of interest. Cash is held in these accounts for operational purposes and limited periods only. As shown above all deposits mature within one year. There are no material financial liabilities.

Notes to the financial statements

(continued)

17 Derivatives and other financial instruments (continued)

Currency exposures

The table below shows the group's transactional currency exposures that give rise to the net currency gains and losses recognised in the profit and loss account. Such exposures comprise the monetary assets and liabilities of the group that are not denominated in the functional currency of the operating unit. As at 31 March 2000 and 31 March 1999 these exposures (including those arising on short term debtors and creditors) were as follows:

Functional currency of group operation	US Dollar	Deutsche Mark	Yen	Euro	Total
2000					
Sterling (£000)	1,857	-	105	791	2,753
1999					
Sterling (£000)	1,347	349	411	390	2,497

No overseas subsidiary has exposures in any currency other than the local currency.

Borrowing facilities

The group had undrawn committed borrowing facilities at 31 March 2000 of £1,000,000 (1999 – £1,000,000) in respect of which all conditions precedent had been met. This facility is due for review on 30 September 2000

Fair values

There is no material difference between the book value and fair value of the group's financial instruments in the current or the preceding year.

Gains and losses on hedges

The group enters into forward foreign currency contracts to minimise the currency exposures that arise on sales denominated in foreign currencies. The notional amount of forward exchange contracts at the year end amounted to £2,048,183 (1999 – £850,000). Changes in the fair value of instruments used as hedges are not recognised in the financial statements until the hedge position matures. No material unrecognised gains or losses on hedged financial instruments existed at 31 March 2000 or 31 March 1999.

18 Provisions for liabilities and charges

	Total potential liability			
	2000		1999	
	Group	Company	Group	Company
	£000	£000	£000	£000
<i>Provided</i>				
Tax effect of timing differences due to capital allowances	191	-	-	-
<i>Not provided</i>				
Tax effect of timing differences due to capital allowances	152	-	55	-

Notes to the financial statements

(continued)

18 Provisions for liabilities and charges (continued)

In addition, if the long leasehold property were to be sold at its current net book value, a tax liability of up to £289,591 (1999 – £306,000) may arise. No provision has been made for this liability as there is no intention to dispose of the property. If the property were to be sold in the future, the tax liability would probably be mitigated or deferred by available reliefs.

19 Called-up share capital

	2000	1999
	£000	£000
<i>Authorised</i>		
22,000,000 ordinary shares of 10p each	2,200	2,200
<i>Allotted, called up and fully paid</i>		
16,729,850 (1999 – 16,622,000) ordinary shares of 10p each	1,673	1,662

During the year 107,850 ordinary shares with a nominal value of £10,785 were issued following the exercise of employee share options at an exercise price of 50.4p per share. This gave proceeds of £54,356 and a premium of £43,571.

Share options

Share options have been granted to certain employees of the group (excluding directors) and remain outstanding as follows:

	Number of options	Exercise price (p)
27 November 1996	299,500	200.0
27 November 1996	191,650	50.4
13 June 1997	25,000	230.0
16 March 1998	44,400	395.0
1 June 1998	150,000	272.5
16 March 1999	55,300	179.2
10 January 2000	100,000	309.5
30 March 2000	90,600	342.5

These options are normally exercisable in full or in part between the third and seventh anniversaries of the date of grant.

Notes to the financial statements

(continued)

20 Reserves

	Share premium account £000	Profit and loss account £000
Group		
As at 1 April 1999	6,833	228
Retained profit for the year	-	2,048
Translation gain arising on consolidation	-	60
Share issues	44	-
	<hr/>	<hr/>
At 31 March 2000	6,877	2,336
	<hr/>	<hr/>

	Share premium account £000	Profit and loss account £000
Company		
At 1 April 1999	6,833	675
Share issues	44	-
Retained profit for the year	-	99
	<hr/>	<hr/>
At 31 March 2000	6,877	774
	<hr/>	<hr/>

The share premium account is not distributable.

21 Reconciliation of movements in group shareholders' funds

	2000 £000	1999 £000
Profit for the financial year	2,950	1,896
Other recognised gains and losses relating to the year	60	10
	<hr/>	<hr/>
Dividends paid and proposed on equity shares	3,010	1,906
New shares issued	(902)	(797)
	<hr/>	<hr/>
Net addition to shareholders' funds	55	-
	<hr/>	<hr/>
Opening shareholders' funds	2,163	1,109
	<hr/>	<hr/>
Closing shareholders' funds	8,723	7,614
	<hr/>	<hr/>
	<hr/>	<hr/>
	10,886	8,723
	<hr/>	<hr/>

Notes to the financial statements

(continued)

22 Reconciliation of operating profit to net cash inflow from operating activities

	2000	1999
	£000	£000
Operating profit	4,239	2,838
Depreciation and amortisation charges	1,337	764
(Profit) loss on disposal of fixed assets	(6)	37
Increase in debtors	(1,093)	(545)
Increase in creditors	1,911	568
Exchange differences	-	(74)
Net cash inflow from operating activities	6,388	3,588

23 Analysis of cash flows

	2000	1999
	£000	£000
<i>Returns on investments and servicing of finance</i>		
Interest received	131	171
Interest paid	(31)	-
Interest element of finance lease rentals	(1)	(8)
Net cash inflow	99	163
<i>Taxation</i>		
UK corporation tax paid	(370)	(628)
Foreign tax paid	(720)	(444)
Net cash outflow	(1,090)	(1,072)
<i>Capital expenditure and financial investment</i>		
Purchase of tangible fixed assets	(1,432)	(1,345)
Purchase of intangible fixed assets	(3,200)	-
Sale of tangible fixed assets	23	-
Net cash outflow	(4,609)	(1,345)

Notes to the financial statements

(continued)

23 Analysis of cash flows (continued)

	2000	1999
	£000	£000
<i>Acquisition</i>		
Purchase of subsidiary undertaking	(9)	-
Cash acquired with subsidiary undertaking	11	-
Purchased goodwill	-	(929)
Net cash inflow (outflow)	<u>2</u>	<u>(929)</u>
<i>Management of liquid resources</i>		
Decrease in short term deposits	-	1,400
Net cash inflow inflow	<u>-</u>	<u>1,400</u>
<i>Financing</i>		
Issue of ordinary share capital	55	-
Capital element of finance lease rental payments	(21)	(126)
Net cash inflow (outflow)	<u>34</u>	<u>(126)</u>

24 Analysis and reconciliation of net funds

	1 April		Exchange	31 March
	1999	Cash flow	differences	2000
	£000	£000	£000	£000
Cash in hand and at bank	4,307	(8)	(85)	4,214
Finance leases	(28)	21	-	(7)
Net funds	<u>4,279</u>	<u>13</u>	<u>(85)</u>	<u>4,207</u>

Notes to the financial statements

(continued)

24 Analysis and reconciliation of net funds (continued)

	2000	1999
	£000	£000
(Decrease) increase in cash in the year	(8)	1,014
Cash outflow from decrease in debt and lease financing	21	126
Cash inflow from movement in liquid resources	-	(1,400)
	<hr/>	<hr/>
Change in net funds resulting from cash flows	13	(260)
Currency translation differences	(85)	115
	<hr/>	<hr/>
Movement in net funds in year	(72)	(145)
Net funds at 1 April 1999	4,279	4,424
	<hr/>	<hr/>
Net funds at 31 March 2000	4,207	4,279
	<hr/>	<hr/>

25 Guarantees and other financial commitments

a) Pension arrangements

The group operates a defined benefit pension plan providing benefits based on final pensionable pay, which is available to all UK employees, after a qualifying period. Administration on behalf of the members is governed by a Trust Deed, and the funds are held and managed by professional investment managers who are independent of the group.

Contributions to the scheme are made in accordance with advice from an independent professionally qualified actuary at rates which are calculated to be sufficient to meet the future liabilities of the scheme. The employees' contributions are fixed as a percentage of salary, the balance being made up by the employer.

The most recent actuarial valuation was carried out as at 1 April 1998 using the projected unit method.

The assets of the scheme were taken into account at a smoothed market value. Consistent with this, the liabilities were valued using financial assumptions derived from yields on index-linked and fixed interest government securities.

In particular, the main actuarial assumptions were that:

- a) the return on scheme investments would be 7% per annum
- b) salaries would increase by 5% per annum
- c) pensions in payment would increase by 3% per annum.

The above approach differs from that used previously. For previous valuations, liabilities were valued using long-term financial assumptions. Consistent with this, the assets were taken into account at an actuarial value, based on the discounted value of future income. The change in approach represents a move to a market-related basis for valuing assets and liabilities.

Notes to the financial statements

(continued)

25 Guarantees and other financial commitments (continued)

a) Pension arrangements (continued)

The market value of the assets of the scheme was £11,030,000 and the smoothed market value of the assets represented 106% of the benefits that had accrued to members after allowing for expected future increases in earnings. This surplus, amounting to £556,000, is expected to be eliminated over the period to 2020 through reduced employer contributions.

The pension charge for the year amounted to £643,969 (1999 – £577,200).

The group also operates a defined contribution scheme for US and German employees for which the pension cost charge for the year amounted to £77,000 (1999 – £77,777).

b) Lease commitments

At 31 March 2000 the group had annual commitments under non-cancellable operating leases as follows:

	2000		1999	
	Motor vehicles	Other	Motor vehicles	Other
	£000	£000	£000	£000
Expiring within one year	85	-	64	-
Expiring between two and five years	80	-	114	-
Expiring after five years	-	89	-	89
	<hr/>	<hr/>	<hr/>	<hr/>
	165	89	178	89
	<hr/>	<hr/>	<hr/>	<hr/>

c) Capital commitments

At the end of the year the group and company had capital commitments contracted for but not provided for of £22,000 (1999 – £220,000).

Company information and advisors

Directors	Richard King CBE <i>Chairman</i>
	Richard Longdon <i>Chief Executive</i>
	John Dersley <i>Finance Director</i>
	Tony Christian <i>Services and Technology Director</i>
	Jeremy Fairbrother <i>Non-executive Director</i>
	Peter Littleton <i>President – Cadcentre Inc</i>
	David Mann <i>Non-executive Director</i>
Secretary	John Dersley
Registered Office	High Cross Madingley Road Cambridge CB3 0HB
Registered Number	2937296
Auditors	Arthur Andersen Betjeman House 104 Hills Road Cambridge CB2 1LH
Bankers	Barclays Bank plc 15 Bene't Street Cambridge CB2 3PZ
Solicitors	Mills & Reeve Francis House 112 Hills Road Cambridge CB2 1PH
Stockbroker and Financial Advisors	Investec Henderson Crosthwaite 2 Gresham Street London EC2V 7QP
Registrars	IRG plc Balfour House 390–398 High Road Ilford, Essex IG1 1NQ