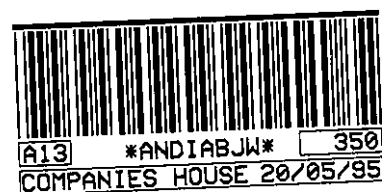


Orbit Communications International Limited
Annual report
for the period 15 July 1993 to 31 December 1994
Registered no: 2837887



Orbit Communications International Limited

Annual report for the period 15 July 1993 to 31 December 1994

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Directors and advisers

Directors

Dr G S Medawar
Mr A Zilo

Secretary and registered office

Mr R V Assili
Berkeley Square House
7th Floor
Berkeley Square
London
W1X 5PN

Auditors

Coopers & Lybrand
1 Embankment Place
London
WC2N 6NN

Bankers

Coutts & Co
1 Cadogan Place
London
SW1X 9PX

**Directors' report
for the period 15 July 1993 to 31 December 1994**

The directors present their report and the audited financial statements for the period 15 July 1993 to 31 December 1994.

Principal activities

The principal activity of the company is the provision of general consultancy services to group companies.

Review of business and future developments

The profit for the period is set out on page 5.

Dividends and reserves

The directors do not recommend the payment of a dividend. The movement in retained profit is shown on page 5.

Directors

The directors of the company during the period were:

Dr G S Medawar	(appointed 15 July 1993)
Mr A Zilo	(appointed 15 July 1993)
Mr S B Pfeiffer	(resigned 14 December 1994)

Directors interests in shares of the company

No director had any interest in the shares of the company during the period.

Changes in fixed assets

The movements in fixed assets during the period are set out in Note 7 to the financial statements.

Close company provisions

The company is a close company in accordance with the provisions of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial year.

Auditors

A resolution to re-appoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1994. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board

A handwritten signature in black ink, appearing to read 'G S Medawar', with a long horizontal stroke extending to the right.

Dr G S Medawar
Director

27 March 1995.

Report of the auditors to the members of Orbit Communications International Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 company'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 the company's affairs at 31 December 1994 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
London 3 April 1995

**Profit and loss account
for the period 15 July 1993 to 31 December 1994**

	Notes	1994 £
Turnover	1	228,332
Administrative expenses		214,023
Operating profit		14,309
Interest receivable and similar income	4	277
Profit on ordinary activities before taxation	5	14,586
Tax on profit on ordinary activities	6	(5,938)
Retained profit for the financial period		8,648
Retained profit at 31 December 1994		8,648

All of the above activities are continuing.

The company has no recognised gains and losses other than the losses above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the retained profit for the period stated above, and their historical cost equivalents.

The only movement in shareholders' funds is the profit and loss account as shown above. Consequently, no separate reconciliation of movements in shareholders' fund has been presented.

Balance sheet at 31 December 1994

	Notes	1994 £
Fixed assets	7	6,929
Current assets		
Debtors	8	74,004
Cash at bank and in hand		9,047
		<u>83,051</u>
Creditors: amounts falling due within one year	9	14,010
Net current assets		<u>69,041</u>
Total assets less current liabilities		<u>75,970</u>
Creditors: amounts falling due after more than one year	10	66,322
Net assets		<u>9,648</u>
Capital and reserves		
Called-up share capital	11	1,000
Profit and loss account		8,648
Equity shareholders' funds		<u>9,648</u>

The financial statements on pages 5 to 10 were approved by the board of directors on *27 March 1995* and were signed on its behalf by:



Dr G S Medawar
Director

**Notes to the financial statements
for the period 15 July 1993 to 31 December 1994****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash flow statement

The company qualifies as a small company under the terms of S247 of the Companies Act 1985. As a consequence the company is exempt from the requirement to publish a cash flow statement.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition.

A full year's depreciation is charged in the year of acquisition. Depreciation is calculated so as to write off the cost of the fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic life of the assets concerned. The principal lives generally used for this purpose are:

	Years
Office equipment	5

Turnover

Turnover, which excludes value added tax, represents the invoiced value of services supplied to group companies. All turnover arises from work performed in the United Kingdom which is invoiced to the British Virgin Islands.

Taxation

The charge for taxation is based on the profit for the year as adjusted for disallowable items. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

2 Directors' emoluments

	1994 £
Fees	-
Other emoluments (including pension contributions and benefits in kind)	-
	<u>NIL</u>
Fees and other emoluments (excluding pension contributions) include amounts paid to:-	
The Chairman	<u>NIL</u>

The number of directors (including the chairman) who received fees and other emoluments (excluding pension contributions) in the following ranges was:-

	1994 Number
£0 to £5,000	<u>3</u>

3 Employee information

The average weekly number of persons (excluding executive directors) employed during the period was:

	1994 Number
Administration	<u>2</u>

	1994 £
Staff costs (for the above persons):	
Wages and salaries	49,165
Social security costs	4,952
	<u>54,117</u>

4 Interest receivable

	1994 £
Bank interest receivable	<u>277</u>

5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:-

	1994 £
Depreciation on tangible fixed assets	1,372
Auditors' remuneration for:	
audit	2,500
other services to the company	4,452
	<u> </u>

6 Taxation

	1994 £
United Kingdom corporation tax at 33%	5,938
	<u> </u>

7 Fixed Assets

	Office Equipment £
Cost	
Additions	8,301
	<u> </u>
Cost @ 31 December 1994	8,301
	<u> </u>
Depreciation	
Charge for the year	1,372
	<u> </u>
Depreciation @ 31 December 1994	1,372
	<u> </u>
Net Book value at 31 December 1994	6,929
	<u> </u>

8 Debtors

	1994 £
Amounts falling due within one year	
Amounts owed by parent company and fellow subsidiary undertakings	65,794
Other debtors	8,210
	<u> </u>
	74,004
	<u> </u>

9 Creditors: amounts falling due within one year

	1994 £
Other creditors including taxation and social security	8,246
Accruals	5,764
	<u>14,010</u>

10 Creditors: amounts falling due after more than one year

	1994 £
Loan from parent undertaking	66,322

The loan from the parent company is interest free. The parent company has confirmed that it will not request repayment of the loan for at least the next twelve months.

11 Called-up share capital

	1994 £
Authorised, allotted and fully paid 1000 ordinary shares of £1 each	1,000

12 Financial commitments

At 31 December 1994 the company had no financial commitments.

13 Ultimate parent company

The directors regard Orbit Communications Company, a company registered in The British Virgin Islands, as the ultimate parent company.