

RESOURCE TELEVISUAL SYSTEMS LIMITED

Directors' Report and Financial Statements

for the year ended 30 September 1999



Wilson Sandford & Co.
CHARTERED ACCOUNTANTS

97 Church Street, Brighton, East Sussex. BN1 1UJ

Telephone: Brighton (01273) 728441 Facsimile: Brighton (01273) 326715
E-mail: info@wilsonsandford.co.uk



RESOURCE TELEVISUAL SYSTEMS LIMITED

Company Information

Directors	D M Turner R G Webster
Secretary	D M Turner
Company Number	1573673
Registered Office	119-120 Western Road Brighton East Sussex BN1 2AD
Auditors	Wilson Sandford & Co 97 Church Street Brighton East Sussex BN1 1UJ
Business Address	119-120 Western Road Brighton East Sussex BN1 2AD
Bankers	National Westminster Bank PLC 8-11 Pavilion Buildings Brighton East Sussex BN1 1DP
Solicitors	Donne Mileham & Haddock Frederick Place Brighton East Sussex BN1 1AT

RESOURCE TELEVISUAL SYSTEMS LIMITED

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RESOURCE TELEVISUAL SYSTEMS LIMITED

Directors' Report for the year ended 30 September 1999

The directors present their report and the financial statements for the year ended 30 September 1999.

Principal Activity

The principal activity of the company is the sale of industrial video equipment.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	'A' Ordinary shares		'B' Ordinary shares	
	30 September 1999	1 October 1998	30 September 1999	1 October 1998
D M Turner	6,500	6,500	650	650
R G Webster	3,500	3,500	350	350

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

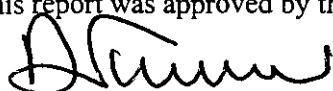
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Wilson Sandford & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 10/1/2000 and signed on its order by



D M TURNER
Secretary

RESOURCE TELEVISUAL SYSTEMS LIMITED

Directors' Report for the year ended 30 September 1999

Auditors' Report to the Shareholders of RESOURCE TELEVISUAL SYSTEMS LIMITED

We have audited the financial statements on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999) under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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 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

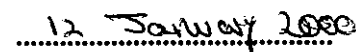
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wilson Sandford & Co

**Chartered Accountants and
Registered Auditors**

**97 Church Street
Brighton
East Sussex
BN1 1UJ**



RESOURCE TELEVISUAL SYSTEMS LIMITED

Profit and Loss Account for the year ended 30 September 1999

		1999	1998
	Notes	£	£
Turnover	2	584,666	664,056
Cost of sales		(361,364)	(419,931)
Gross profit		<u>223,302</u>	<u>244,125</u>
Administrative expenses		(141,969)	(179,403)
Operating profit	3	<u>81,333</u>	<u>64,722</u>
Interest receivable and similar income		<u>5,102</u>	<u>9,314</u>
Profit on ordinary activities before taxation		86,435	74,036
Tax on profit on ordinary activities	6	<u>(17,909)</u>	<u>(15,651)</u>
Profit for the financial year		68,526	58,385
Dividends	7	(60,000)	(50,000)
Retained profit for the year		<u>8,526</u>	<u>8,385</u>
Retained profit brought forward		135,738	127,353
Retained profit carried forward		<u><u>144,264</u></u>	<u><u>135,738</u></u>

The notes on pages 5 to 8 form an integral part of these financial statements.

RESOURCE TELEVISUAL SYSTEMS LIMITED

Balance Sheet as at 30 September 1999

		1999		1998	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	8		15,201		14,819
Current Assets					
Stocks		17,122		12,602	
Debtors	9	35,700		48,831	
Cash at bank and in hand		133,196		96,994	
		<u>186,018</u>		<u>158,427</u>	
Creditors: amounts falling due within one year	10	<u>(45,955)</u>		<u>(26,508)</u>	
Net Current Assets			<u>140,063</u>		<u>131,919</u>
Total Assets Less Current Liabilities			<u>155,264</u>		<u>146,738</u>
Capital and Reserves					
Called up share capital	11		11,000		11,000
Profit and loss account			144,264		135,738
Shareholders' Funds			<u>155,264</u>		<u>146,738</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

The financial statements were approved by the Board on 10/1/2000 and signed on its behalf by



D M TURNER
Director



R G WEBSTER
Director

The notes on pages 5 to 8 form an integral part of these financial statements.

RESOURCE TELEVISUAL SYSTEMS LIMITED

Notes to the Financial Statements for the year ended 30 September 1999

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The effect of events relating to the year ended 30th September 2000 before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 30th September 1999 and of the results for the year ended on that date.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	-	15-25% per annum of cost
Motor vehicles	-	25% per annum of net book value

1.4. Stock

Stock is valued at the lower of cost and net realisable value.

Cost is comprised of purchase price including transport and handling costs, less trade discounts, calculated on a first in first out basis. Net realisable value comprises estimated selling price (less trade discounts) less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity. 1.6% of the company's turnover related to exports (1998 - nil).

RESOURCE TELEVISUAL SYSTEMS LIMITED

Notes to the Financial Statements for the year ended 30 September 1999

3. Operating profit	1999	1998
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	6,613	6,132
Loss on disposal of tangible fixed assets	1,132	(580)
Auditors' remuneration	1,550	1,500
	<u> </u>	<u> </u>
4. Directors' emoluments		
	1999	1998
	£	£
Remuneration and other benefits	36,987	69,527
	<u> </u>	<u> </u>
5. Pension costs		
The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,407 (1998 - £18,407).		
6. Taxation	1999	1998
	£	£
UK current year taxation		
UK Corporation Tax	17,909	15,651
	<u> </u>	<u> </u>
There is no unprovided deferred taxation.		
7. Dividends	1999	1998
	£	£
Dividends paid	60,000	50,000
	<u> </u>	<u> </u>

RESOURCE TELEVISUAL SYSTEMS LIMITED

Notes to the Financial Statements for the year ended 30 September 1999

8. Tangible fixed assets

	Fixtures and fittings	Motor vehicles	Total
	£	£	£
Cost			
At 1 October 1998	15,906	20,630	36,536
Additions	282	11,095	11,377
Disposals	-	(10,385)	(10,385)
At 30 September 1999	16,188	21,340	37,528
Depreciation			
At 1 October 1998	13,153	8,564	21,717
On disposals	-	(6,003)	(6,003)
Charge for the year	1,919	4,694	6,613
At 30 September 1999	15,072	7,255	22,327
Net book values			
At 30 September 1999	1,116	14,085	15,201
At 30 September 1998	2,753	12,066	14,819

9. Debtors

	1999 £	1998 £
Trade debtors	29,947	43,642
Prepayments and accrued income	5,753	5,189
	35,700	48,831

10. Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	13,786	3,176
Corporation tax	17,909	9,406
Other taxes and social security costs	9,496	12,111
Accruals and deferred income	4,764	1,815
	45,955	26,508

RESOURCE TELEVISUAL SYSTEMS LIMITED

Notes to the Financial Statements for the year ended 30 September 1999

11. Share capital	1999 £	1998 £
Authorised		
10,000 'A' Ordinary shares of £1 each	10,000	10,000
1,000 'B' Ordinary shares of £1 each	1,000	1,000
	<u>11,000</u>	<u>11,000</u>
Allotted, called up and fully paid		
10,000 'A' Ordinary shares of £1 each	10,000	10,000
1,000 'B' Ordinary shares of £1 each	1,000	1,000
	<u>11,000</u>	<u>11,000</u>

12. **Control**
The company is under the control of its directors.