

TINDELL, GRANT & CO.

REGISTERED NUMBER: 149501

CHARTERED ACCOUNTANTS

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Abbreviated Financial Statements for the Year Ended 31 March 1996

for

RSD COMMUNICATIONS LIMITED



Partners:
Qualified Staff:

Patricia Grant BCom CA
Marita Scott BA(Hons) CA

Stephen Grant BCom CA
Peter Clayden BAcc CA

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for the Year Ended 31 March 1996

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RSD COMMUNICATIONS LIMITED

Company Information
for the Year Ended 31 March 1996

DIRECTORS: P McGrorty
J A Ross

SECRETARY: John Arthur Ross

REGISTERED OFFICE: Unit 9, 5 Munro Road
Springkerse Industrial Estate
STIRLING
FK7 7UU

REGISTERED NUMBER: 149501

AUDITORS: Tindell, Grant & Co
Chartered Accountants
Registered Auditors
32 Main Street
St Ninians
Stirling
FK7 9AP

RSD COMMUNICATIONS LIMITED

**Report of the Auditors to
RSD COMMUNICATIONS LIMITED**

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated financial statements on pages four to six together with the full financial statements of RSD COMMUNICATIONS LIMITED prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1996, and the abbreviated financial statements on pages four to six have been properly prepared in accordance with that Schedule.

Other information

On 8 May 1996 we reported, as auditors of RSD COMMUNICATIONS LIMITED, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1996, and our audit report was as follows:

"We have audited the financial statements on pages five to twelve which have been prepared under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page two 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 judgments 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.

RSD COMMUNICATIONS LIMITED

Report of the Auditors to
RSD COMMUNICATIONS LIMITED

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

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 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Tindell, Grant & Co
Chartered Accountants
Registered Auditors
32 Main Street
St Ninians
Stirling
FK7 9AP

Tindell, Grant & Co

Dated: 8/5/96

RSD COMMUNICATIONS LIMITED

**Abbreviated Balance Sheet
31 March 1996**

		31.3.96		31.3.95	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	2		10,000		-
Tangible assets	3		171,145		11,452
			<u>181,145</u>		<u>11,452</u>
CURRENT ASSETS:					
Stocks		46,792		98,001	
Debtors		148,839		45,216	
Cash at bank		110,445		-	
		<u>306,076</u>		<u>143,217</u>	
CREDITORS: Amounts falling due within one year		<u>374,731</u>		<u>139,013</u>	
NET CURRENT (LIABILITIES)/ASSETS:			<u>(68,655)</u>		<u>4,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			112,490		15,656
CREDITORS: Amounts falling due after more than one year			<u>70,239</u>		<u>-</u>
			<u>£42,251</u>		<u>£15,656</u>
CAPITAL AND RESERVES:					
Called up share capital	4		10,000		100
Profit & loss account			32,251		15,556
Shareholders' funds			<u>£42,251</u>		<u>£15,656</u>

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

ON BEHALF OF THE BOARD:

.....
- DIRECTOR

Approved by the Board on 8.5.96

The notes form part of these financial statements

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1996

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1994, will be written off over 10 years, commencing in the year to 31 March 1997.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Equipment	- 25% on reducing balance
Fixtures & Fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

RSD COMMUNICATIONS LIMITED

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1996

2.	INTANGIBLE FIXED ASSETS				Total
					<u>£</u>
	COST:				
	At 1 April 1995				10,000
	and 31 March 1996				<u>10,000</u>
	NET BOOK VALUE:				
	At 31 March 1996				<u>10,000</u>
3.	TANGIBLE FIXED ASSETS				Total
					<u>£</u>
	COST:				
	At 1 April 1995				15,271
	Additions				217,024
	Disposals				(380)
					<u>231,915</u>
	At 31 March 1996				<u>231,915</u>
	DEPRECIATION:				
	At 1 April 1995				3,819
	Charge for year				57,046
	Eliminated on disposals				(95)
					<u>60,770</u>
	At 31 March 1996				<u>60,770</u>
	NET BOOK VALUE:				
	At 31 March 1996				<u>171,145</u>
					<u>171,145</u>
	At 31 March 1995				<u>11,452</u>
					<u>11,452</u>
4.	CALLED UP SHARE CAPITAL				
	Authorised, allotted, issued and fully paid:				
	Number:	Class:	Nominal	31.3.96	31.3.95
			value:	£	£
	10,000	Ordinary	£1	10,000	100