

C.T.S.COMMUNICATIONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996

(Company Number:2000028)



C.T.S.COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

The Directors have pleasure in presenting their report together with the accounts of the Company for the year ended 30th September 1996.

ACTIVITIES

The principal activity of the Company continued to be that of communications consultants. There were no changes in the principal activity during the year.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year and their interests in the shares of the Company at the beginning and end of the financial year were:-

	<u>Ordinary shares of £1 each</u>			
	<u>At beginning of year</u>		<u>At end of year</u>	
Mr P.P.B.Smith	50 "A"	25 "B"	50 "A"	25 "B"
Mr P.W.Norton	50 "A"	25 "B"	50 "A"	25 "B"

DIRECTORS RESPONSIBILITIES

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

- make suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a 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 accounts 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.

CLOSE COMPANY

The Company is a Close Company as defined by the Income and Corporation Taxes Act 1988.

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies.

On behalf of the Board.


P.P.B.Smith

22nd July 1997

C.T.S.COMMUNICATIONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

	<u>Notes</u>	<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
TURNOVER		40521	56339
Cost of Sales		24811	18956
		-----	-----
GROSS PROFIT		15710	37383
Administrative Expenses	17095		18584
Distribution Costs	-		-
	-----	17095	-----
		-----	-----
OPERATING (LOSS)/PROFIT	2	(1385)	18799
Interest receivable less payable	3	1886	2873
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		501	21672
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	162	5454
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		339	16218
Dividends		-	16000
		-----	-----
		339	218
RETAINED PROFIT BROUGHT FORWARD		31803	31585
		-----	-----
<u>RETAINED PROFIT</u> <u>CARRIED FORWARD</u>		<u>£ 32142</u>	<u>£ 31803</u>
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CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit for the above two financial years.

C.T.S.COMMUNICATIONS LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
<u>CAPITAL EMPLOYED</u>			
<u>FIXED ASSETS</u>			
Tangible Fixed Assets	5	90	320
<u>CURRENT ASSETS</u>			
Stocks		1360	1500
Debtors	6	2904	8352
Cash at Bank and in Hand		49410	62182
		-----	-----
		53674	72034
<u>CREDITORS (amounts falling due within one year)</u>	7	(21472)	(40401)
		-----	-----
		32202	31633
		-----	-----
		£ 32292	£ 31953
		-----	-----
<u>FINANCED BY</u>			
<u>CAPITAL AND RESERVES</u>			
Called up share capital	8	150	150
Profit and Loss account		32142	31803
		-----	-----
<u>SHAREHOLDERS FUNDS</u>	9	£ 32292	£ 31953
		-----	-----

The exemption conferred by Section 249A(1) not to have these accounts audited applies to the Company and the Directors confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for ensuring that:

- a) the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- b) the accounts give a true and fair view of the state of the affairs of the company as at 30th September 1996 and of its profit for the year then ended in accordance with the requirements of S226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the Company.

The Directors have taken advantage of special exemptions conferred by Schedule 8 of the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions.

Approved by the Board on 22nd July 1997

P.P.B Smith
P.W.Norton

C.T.S.COMMUNICATIONS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

1 ACCOUNTING POLICIES

1.1 Basis of Accounting

The accounts have been prepared under the historical cost convention.

1.2 Depreciation of tangible and intangible fixed assets

The tangible fixed assets are stated at cost less depreciation. The general policy is to provide depreciation on fixed assets on a reducing balance basis over their estimated useful lives, beginning with a full years depreciation in the financial year of acquisition and no depreciation in the year in which the assets are sold or scrapped.

Tangible fixed assets are depreciated as follows:-

Fixtures, Fittings and Equipment	10 years
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1.3 Stocks

Stocks and work in progress is valued at the lower of cost and net realisable values, after making due allowance for obsolete and slow moving items.

Cost comprises expenditure directly incurred in purchasing the stocks and bringing them to their current condition and location.

1.4 Turnover

Turnover represents the amounts receivable for sales and work done, excluding Value Added Tax.

1.5 Deferred Taxation

Deferred taxation is not provided for as, in the opinion of the directors, no liability will arise in the foreseeable future.

2 OPERATING PROFIT

	<u>1996</u>	<u>1995</u>
<u>This is stated after charging</u>		
Directors emoluments	-	-
Audit Fees	-	-
Depreciation	230	230
	----	----

3 INTEREST RECEIVABLE LESS PAYABLE

Interest receivable	1886	2873
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C.T.S.COMMUNICATIONS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

4 TAXATION

Corporation tax is charged at the UK rate of 25% and 24%.

5 FIXED ASSETS

TANGIBLE

Plant &
Machinery
etc

Cost

At 1st October 1995	2304
Additions	-
Disposals	-

At 30th September 1996	£ 2304

Depreciation

At 1st October 1995	1984
Disposals	-
Charge for year	230

At 30th September 1996	£ 2214

Net book values

At 30th September 1996	£ 90
At 30th September 1995	£320

**6 DEBTORS: amounts falling due
within one year**

	<u>1996</u>	<u>1995</u>
Trade debtors	2904	3706
Other debtors	-	4646
	----	----
	£ 2904	£ 8352
	----	----

**7 CREDITORS: amounts falling due
within one year**

Trade creditors	20193	14407
Other creditors	1279	25994
	----	----
	£ 21472	£ 40401
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C.T.S.COMMUNICATIONS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1996

	<u>1996</u>	<u>1995</u>
8.SHARE CAPITAL		
<u>Authorised</u>		
Ordinary shares of £1 each - "A" Shares	<u>500</u>	<u>500</u>
"B" Shares	<u>500</u>	<u>500</u>
<u>Issued and fully paid</u>		
Ordinary shares of £1 each - "A" Shares	<u>100</u>	<u>100</u>
"B" Shares	<u>50</u>	<u>50</u>

9 RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS

PROFIT FOR THE FINANCIAL YEAR	339	16218
Dividends Paid	-	16000
	-----	-----
	339	218
Opening shareholders funds at 1st October 1995	31953	31735
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Closing shareholders funds at 30th September 1996	£ 32292	£ 31953
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