

**REGISTERED NUMBER: 2327794 (England and Wales)**

**Abbreviated Financial Statements  
for the Year Ended 31 December 1997  
for  
Arkonia Systems Limited**



**Arkonia Systems Limited**

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for the Year Ended 31 December 1997**

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**Arkonia Systems Limited**  
**Company Information**  
**for the Year Ended 31 December 1997**

**DIRECTORS:** L Robinson  
Mrs C M Robinson

**SECRETARY:** Mrs C M Robinson

**REGISTERED OFFICE:** Latchmore House  
99-101 London Road  
Cowplain  
Hampshire  
PO8 8XJ

**REGISTERED NUMBER:** 2327794 (England and Wales)

**AUDITORS:** Hughes Spencer  
Registered Auditors  
Latchmore House  
Cowplain      Waterloooville  
Hampshire      PO8 8XJ

**Arkonia Systems Limited**

**Report of the Auditors to  
Arkonia Systems Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 December 1997 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

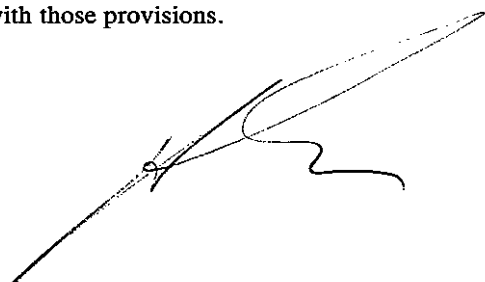
**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

Hughes Spencer  
Registered Auditors  
Latchmore House  
Cowplain      Waterlooville  
Hampshire      PO8 8XJ



Dated: 21-9-98

**Arkonia Systems Limited**

**Abbreviated Balance Sheet  
31 December 1997**

	Notes	1997		1996	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	2		10,139		11,520
Tangible assets	3		845,788		786,060
Investments	4		35		35
			<u>855,962</u>		<u>797,615</u>
<b>CURRENT ASSETS:</b>					
Stocks		233,498		245,374	
Debtors		469,491		292,469	
Cash at bank and in hand		2,042		248	
		<u>705,031</u>		<u>538,091</u>	
<b>CREDITORS:</b> Amounts falling due within one year	5	<u>478,134</u>		<u>546,010</u>	
<b>NET CURRENT ASSETS/(LIABILITIES):</b>			<u>226,897</u>		<u>(7,919)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			1,082,859		789,696
<b>CREDITORS:</b> Amounts falling due after more than one year	5		329,144		335,263
			<u>£753,715</u>		<u>£454,433</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	6		1,059,861		1,059,861
Revaluation reserve			98,190		98,190
Profit and loss account			(404,336)		(703,618)
Shareholders' funds			<u>£753,715</u>		<u>£454,433</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
- DIRECTOR

Approved by the Board on 17/1/98.....

The notes form part of these financial statements

## **Arkonia Systems Limited**

### **Notes to the Abbreviated Financial Statements for the Year Ended 31 December 1997**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

##### **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 1995, is being written off evenly over its estimated useful life of ten years.

##### **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.

Improvements to property	- Straight line over 25 years
Plant & equipment	- 15% on reducing balance
Office furniture & equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

##### **Stocks**

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

##### **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.

##### **Leases**

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.

Operating lease rentals are charged to the profit and loss account in accordance with the payments made in respect of the individual lease agreements.

# Arkonia Systems Limited

## Notes to the Abbreviated Financial Statements for the Year Ended 31 December 1997

### 2. INTANGIBLE FIXED ASSETS

	Total
	£
<b>COST:</b>	
At 1 January 1997	
and 31 December 1997	13,812
<b>AMORTISATION:</b>	
At 1 January 1997	2,292
Charge for year	1,381
At 31 December 1997	3,673
<b>NET BOOK VALUE:</b>	
At 31 December 1997	10,139
At 31 December 1996	11,520

### 3. TANGIBLE FIXED ASSETS

	Total
	£
<b>COST:</b>	
At 1 January 1997	1,015,857
Additions	106,043
Disposals	(3,000)
At 31 December 1997	1,118,900
<b>DEPRECIATION:</b>	
At 1 January 1997	229,798
Charge for year	43,877
Eliminated on disposals	(563)
At 31 December 1997	273,112
<b>NET BOOK VALUE:</b>	
At 31 December 1997	845,788
At 31 December 1996	786,060

The directors policy is to maintain the freehold land and buildings in good order and therefore no depreciation has been provided thereon.

### 4. FIXED ASSET INVESTMENTS

Investments in unquoted shares consist of:

20 Ordinary £1 shares in Ying 3DM (UK) Limited at par, representing 20% of the issued share capital.

15 Ordinary £1 shares in Ying Broadcast (UK) Limited at par, representing 15% of the issued share capital.

# **Arkonia Systems Limited**

## **Notes to the Abbreviated Financial Statements for the Year Ended 31 December 1997**

### **5. CREDITORS**

The following secured debts are included within creditors:

	1997	1996
	£	£
Bank overdrafts	-	201,246
Bank loans	337,977	396,037
Mortgage within 1 year	11,687	42,000
	<u>349,664</u>	<u>639,283</u>

### **6. CALLED UP SHARE CAPITAL**

Authorised:			1997	1996
Number:	Class:	Nominal value:	£	£
10,000,000	Ordinary	£1	<u>10,000,000</u>	<u>10,000,000</u>

Allotted, issued and fully paid:			1997	1996
Number:	Class:	Nominal value:	£	£
1,059,861	Ordinary	£1	<u>1,059,861</u>	<u>1,059,861</u>