

COMPANY REGISTRATION NUMBER 2681563

ASYSO PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2008

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COMPANIES HOUSE

MENZIES LLP
Chartered Accountants & Registered Auditors
Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

ASYSCO PLC

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

| CONTENTS | PAGES |
|---|----------------|
| Officers and professional advisers | 1 |
| The directors' report | 2 to 3 |
| Independent auditor's report to the shareholders | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Cash flow statement | 7 to 8 |
| Notes to the financial statements | 9 to 16 |
| The following pages do not form part of the financial statements | |
| Detailed profit and loss account | 18 |
| Notes to the detailed profit and loss account | 19 |

ASYSO PLC

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

R N Phillpot
R J Brookes
F R Hazell

COMPANY SECRETARY

Barlows Secretarial Services Limited

REGISTERED OFFICE

Asysco House
Omega Way
Egham
Surrey
TW20 8RD

AUDITOR

Menzies LLP
Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

BANKERS

Barclays Bank Plc
8-12 Church Street
Walton-on-Thames
Surrey
KT12 2YW

SOLICITORS

Barlow Robbins
55 Quarry Street
Guildford
Surrey
GU1 3UE

ASYSCO PLC

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2008

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the design, supply, installation and maintenance of Integrated Audio Visual Systems

The company traded profitably during the course of the year, and the directors were satisfied with the performance of the business

Sales of networking products did not grow as anticipated during 2007/08, but as this technology is relatively new to the audio visual (AV) industry, it is now believed that adoption of AV over internet protocol (IP) will be more gradual. The company believes that in the near future IP communication solutions, such as video streaming, digital signage and video conferencing, will replace traditional audio visual systems delivered over coaxial cable. The company will therefore continue to invest in these technologies.

The directors have pledged to improve environmental management systems within the business, proof of which has resulted in the company recently being awarded ISO 14001 certification. This demonstrates a clear commitment to eco-friendly policies at every level within the company.

In the coming year, the company will continue to invest in staff training and development, to ensure the highest standards of customer service are achieved across the entire business.

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the entity.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £136,364. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in note 17 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

R N Phillpot
R J Brookes
F R Hazell

POLICY ON THE PAYMENT OF CREDITORS

The company's policy for the payment of its suppliers is to determine the payment terms in advance and, provided the supplier performs in accordance with the agreement, to abide by such terms. Suppliers were paid on average within 62 days (2007 - 60 days).

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then 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.

ASYSKO PLC

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

On 1 July 2008, Menzies, the Company's auditors, transferred its business to Menzies LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The Company's consent has been given to treat the appointment of Menzies as extending to Menzies LLP with effect from 1 July 2008 under the provisions of section 26(5) of the Companies Act 1989.

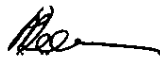
Accordingly, a resolution approving the re-appointment of Menzies LLP will be proposed at the forthcoming Annual General Meeting.

Registered office
Asysco House
Omega Way
Egham
Surrey
TW20 8RD

Signed on behalf of the directors

F R Hazell
Director

Approved by the directors on


30/10/08

ASYSO PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASYSO PLC

YEAR ENDED 31 MARCH 2008

We have audited the financial statements of Asysco Plc for the year ended 31 March 2008 on pages 5 to 16, which have been prepared on the basis of the accounting policies set out on pages 9 to 10

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

31 October 2008


MENZIES LLP
Chartered Accountants
& Registered Auditors

ASYSO PLC

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2008

| | Note | 2008 £ | 2007 £ |
|--|----------|------------|------------|
| TURNOVER | 2 | 26,928,392 | 23,285,919 |
| Cost of sales | | 18,889,715 | 16,231,264 |
| GROSS PROFIT | | 8,038,677 | 7,054,655 |
| Administrative expenses | | 7,967,525 | 6,693,802 |
| Other operating income | 3 | (148,439) | (1,468) |
| OPERATING PROFIT | 4 | 219,591 | 362,321 |
| Interest receivable | | 2,478 | 819 |
| Interest payable and similar charges | 7 | (32,254) | (35,159) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 189,815 | 327,981 |
| Tax on profit on ordinary activities | 8 | 53,451 | 100,531 |
| PROFIT FOR THE FINANCIAL YEAR | | 136,364 | 227,450 |

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 16 form part of these financial statements

ASYSO PLC

BALANCE SHEET

31 MARCH 2008

| | Note | 2008 £ | £ | 2007 £ | £ |
|--|------|------------------|------------------|------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 1,176,611 | | 832,088 |
| Investments | 11 | | 1 | | 1 |
| | | | <u>1,176,612</u> | | <u>832,089</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 12 | 1,313,774 | | 1,665,880 | |
| Debtors | 13 | 7,606,013 | | 6,972,472 | |
| Cash at bank | | 88,019 | | 18,754 | |
| | | <u>9,007,806</u> | | <u>8,657,106</u> | |
| CREDITORS: Amounts falling due within one year | 14 | 8,590,845 | | 8,086,465 | |
| NET CURRENT ASSETS | | | 416,961 | | 570,641 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 1,593,573 | | 1,402,730 |
| CREDITORS: Amounts falling due after more than one year | 15 | | 186,033 | | 131,554 |
| | | | <u>1,407,540</u> | | <u>1,271,176</u> |
| CAPITAL AND RESERVES | | | | | |
| Called-up equity share capital | 20 | | 50,000 | | 50,000 |
| Profit and loss account | 21 | | 1,357,540 | | 1,221,176 |
| SHAREHOLDERS' FUNDS | 22 | | <u>1,407,540</u> | | <u>1,271,176</u> |

These financial statements were approved by the directors and authorised for issue on 30/10/08, and are signed on their behalf by

R J Brookes

F R Hazell

The notes on pages 9 to 16 form part of these financial statements

ASYSO PLC

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2008

| | Note | 2008 £ | 2007 £ |
|--|------|-------------------|-------------------|
| NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | | 995,878 | (191,811) |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | |
| Interest received | | 2,478 | 819 |
| Interest paid | | 402,862 | 520,843 |
| Interest element of hire purchase | | (28,054) | (20,777) |
| NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | 377,286 | 500,885 |
| TAXATION | | (100,531) | (305,343) |
| CAPITAL EXPENDITURE | | | |
| Payments to acquire tangible fixed assets | | (751,457) | (248,864) |
| Receipts from sale of fixed assets | | — | 23,900 |
| NET CASH OUTFLOW FROM CAPITAL EXPENDITURE | | (751,457) | (224,964) |
| EQUITY DIVIDENDS PAID | | — | (400,000) |
| CASH INFLOW/(OUTFLOW) BEFORE FINANCING | | 521,176 | (621,233) |
| FINANCING | | | |
| Capital element of hire purchase | | 80,789 | 23,058 |
| NET CASH INFLOW FROM FINANCING | | 80,789 | 23,058 |
| INCREASE/(DECREASE) IN CASH | | 601,965 | (598,175) |
| RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | | | |
| | | 2008 £ | 2007 £ |
| Operating profit | | 219,591 | 362,321 |
| Depreciation | | 375,109 | 321,453 |
| Loss/(Profit) on disposal of fixed assets | | 31,825 | (23,900) |
| Decrease/(increase) in stocks | | 352,106 | (332,402) |
| Increase in debtors | | (633,541) | (1,126,323) |
| Increase in creditors | | 650,788 | 607,040 |
| Net cash inflow/(outflow) from operating activities | | 995,878 | (191,811) |

The notes on pages 9 to 16 form part of these financial statements

ASYSO PLC

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 MARCH 2008

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

| | 2008 | | 2007 | |
|---|----------|-------------|-----------|-------------|
| | £ | £ | £ | £ |
| Increase/(decrease) in cash in the period | 601,965 | | (598,175) | |
| Cash outflow in respect of hire purchase | (80,789) | | (23,058) | |
| | | 521,176 | | (621,233) |
| Change in net debt | | 521,176 | | (621,233) |
| Net debt at 1 April 2007 | | (1,100,116) | | (478,883) |
| Net debt at 31 March 2008 | | (578,940) | | (1,100,116) |

ANALYSIS OF CHANGES IN NET DEBT

| | At 1 Apr 2007 £ | Cash flows £ | At 31 Mar 2008 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Net cash | | | |
| Cash in hand and at bank | 18,754 | 69,265 | 88,019 |
| Overdrafts | (820,668) | 532,700 | (287,968) |
| | (801,914) | 601,965 | (199,949) |
| Debt | | | |
| Hire purchase agreements | (298,202) | (80,789) | (378,991) |
| Net debt | (1,100,116) | 521,176 | (578,940) |

The notes on pages 9 to 16 form part of these financial statements.

ASYSO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments

Turnover

The turnover shown in the profit and loss account represents amounts receivable for work done and goods supplied as agreed on a contract by contract basis in the normal course of business, net of discounts, VAT and any other sales related taxes

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

| | |
|---------------------------------|--|
| Furniture, Fixtures & Equipment | - 20% p a reducing balance / 30% p a straight line |
| Motor Vehicles | - 33 3% p a straight line |
| Computer Equipment | - 30% p a straight line |
| Improvements to premises | - 20% p a reducing balance |

Stocks

Stock is stated at the lower of cost and net realisable value. In the case of raw materials and consumable stores, cost means purchase price calculated on a weighted average basis. Net realisable value means the estimated selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

ASYSCO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

1 ACCOUNTING POLICIES *(continued)*

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are taken to the profit and loss account. Exchange differences arising on non-monetary items, carried at fair value, are included in the profit and loss account, except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recorded in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade and other debtors

Trade and other debtors are recognised and carried forward at invoice amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Fixed asset investments

Fixed asset investments are included in the balance sheet at cost after provision for any permanent diminution in value.

2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

| | 2008 £ | 2007 £ |
|----------------|-------------------|-------------------|
| United Kingdom | 26,293,678 | 22,442,742 |
| Overseas | 634,714 | 843,177 |
| | <u>26,928,392</u> | <u>23,285,919</u> |

3. OTHER OPERATING INCOME

| | 2008 £ | 2007 £ |
|------------------------|----------------|--------------|
| Other operating income | <u>148,439</u> | <u>1,468</u> |

ASYSCO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

| | 2008 £ | 2007 £ |
|--|-------------------|-------------------|
| Depreciation of owned fixed assets | 190,249 | 177,293 |
| Depreciation of assets held under hire purchase agreements | 184,860 | 144,160 |
| Loss/(Profit) on disposal of fixed assets | 31,825 | (23,900) |
| Operating lease costs | | |
| Other | 146,323 | 140,151 |
| Net profit on foreign currency translation | — | (18,920) |
| Auditor's remuneration - audit of the financial statements | 29,000 | 24,000 |
| Auditor's remuneration - other fees | 11,700 | 18,185 |
| | 2008 £ | 2007 £ |
| Auditor's remuneration - audit of the financial statements | 29,000 | 24,000 |
| Auditor's remuneration - other fees | | |
| - Taxation services | 5,570 | 7,030 |
| - Company secretarial and other general services | 1,330 | 5,515 |
| - Payroll services | 4,800 | 5,640 |
| | 11,700 | 18,185 |

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

| | 2008 No | 2007 No |
|-----------------|------------|------------|
| Number of staff | 120 | 105 |

The aggregate payroll costs of the above were

| | 2008 £ | 2007 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 4,984,447 | 4,188,837 |
| Social security costs | 523,453 | 458,324 |
| Other pension costs | 146,146 | 121,797 |
| | 5,654,046 | 4,768,958 |

6. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

| | 2008 £ | 2007 £ |
|--|----------------|----------------|
| Emoluments receivable | 537,375 | 466,480 |
| Value of company pension contributions to money purchase schemes | 50,656 | 47,380 |
| | 588,031 | 513,860 |

ASYSO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

6. DIRECTORS' EMOLUMENTS *(continued)*

Emoluments of highest paid director:

| | 2008 £ | 2007 £ |
|--|----------------|----------------|
| Total emoluments (excluding pension contributions) | 193,859 | 145,076 |
| Value of company pension contributions to money purchase schemes | 1,342 | 12,000 |
| | <u>195,201</u> | <u>157,076</u> |

The number of directors who accrued benefits under company pension schemes was as follows

| | 2008 No | 2007 No |
|------------------------|------------|------------|
| Money purchase schemes | <u>3</u> | <u>4</u> |

7 INTEREST PAYABLE AND SIMILAR CHARGES

| | 2008 £ | 2007 £ |
|------------------------------------|---------------|---------------|
| Interest payable on bank borrowing | 4,200 | 14,382 |
| Finance charges | 28,054 | 20,777 |
| | <u>32,254</u> | <u>35,159</u> |

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

| | 2008 £ | 2007 £ |
|--|---------------|----------------|
| Current tax | | |
| UK Taxation | | |
| UK Corporation tax based on the results for the year at 20% (2007 - 30%) | 45,651 | 100,531 |
| Over/under provision in prior year | (1,450) | - |
| | <u>44,201</u> | <u>100,531</u> |
| Foreign tax | | |
| Current tax on income for the year | 9,250 | - |
| Total current tax | <u>53,451</u> | <u>100,531</u> |

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2007 - 30%)

| | 2008 £ | 2007 £ |
|---|----------------|----------------|
| Profit on ordinary activities before taxation | <u>189,815</u> | <u>327,981</u> |
| Profit on ordinary activities by rate of tax | 37,963 | 98,394 |
| Expenses not deductible for tax purposes | 29,749 | 22,301 |
| Depreciation for the period in excess of capital allowances | (12,811) | 9,181 |
| Marginal relief | - | (29,345) |
| Adjustments to tax charge in respect of previous periods | (1,450) | - |
| Total current tax (note 8(a)) | <u>53,451</u> | <u>100,531</u> |

ASYSO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

9. DIVIDENDS

Equity dividends

| | 2008 £ | 2007 £ |
|---------------------------------------|-----------|----------------|
| Paid during the year | | |
| Equity dividends on ordinary A shares | - | 183,600 |
| Equity dividends on ordinary B shares | - | 216,400 |
| | <u>-</u> | <u>400,000</u> |

10. TANGIBLE FIXED ASSETS

| | Fixtures, Fittings and equipment £ | Motor Vehicles £ | Computer Equipment £ | Improve- ments to premises £ | Total £ |
|-------------------------|---|---------------------|----------------------------|---------------------------------------|------------------|
| COST | | | | | |
| At 1 April 2007 | 754,786 | 431,306 | 516,057 | 524,970 | 2,227,119 |
| Additions | 256,176 | 143,747 | 303,056 | 48,478 | 751,457 |
| Disposals | - | - | (180,758) | - | (180,758) |
| At 31 March 2008 | <u>1,010,962</u> | <u>575,053</u> | <u>638,355</u> | <u>573,448</u> | <u>2,797,818</u> |
| DEPRECIATION | | | | | |
| At 1 April 2007 | 510,840 | 225,259 | 408,542 | 250,390 | 1,395,031 |
| Charge for the year | 71,662 | 151,484 | 93,502 | 58,461 | 375,109 |
| On disposals | - | - | (148,933) | - | (148,933) |
| At 31 March 2008 | <u>582,502</u> | <u>376,743</u> | <u>353,111</u> | <u>308,851</u> | <u>1,621,207</u> |
| NET BOOK VALUE | | | | | |
| At 31 March 2008 | <u>428,460</u> | <u>198,310</u> | <u>285,244</u> | <u>264,597</u> | <u>1,176,611</u> |
| At 31 March 2007 | <u>243,946</u> | <u>206,047</u> | <u>107,515</u> | <u>274,580</u> | <u>832,088</u> |

Hire purchase agreements

Included within the net book value of £1,176,611 is £387,156 (2007 - £328,659) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £184,860 (2007 - £144,160).

11. INVESTMENTS

| | Shares in group undertaking £ |
|-----------------------------------|----------------------------------|
| COST | |
| At 1 April 2007 and 31 March 2008 | <u>1</u> |
| NET BOOK VALUE | |
| At 31 March 2008 | <u>1</u> |
| At 31 March 2007 | <u>1</u> |

The company owns 100% of the issued ordinary share capital of AV Assist Limited which is incorporated in the United Kingdom. This subsidiary company did not trade during the year ended 31 March 2008. The aggregate capital and reserves of AV Assist Limited was £1 as at 31 March 2008.

ASYSO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

12. STOCKS

| | 2008 £ | 2007 £ |
|-------|-----------|-----------|
| Stock | 1,313,774 | 1,665,880 |

There were no significant differences between the replacement cost and the values disclosed for all categories of stock

13. DEBTORS

| | 2008 £ | 2007 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 7,321,596 | 6,786,737 |
| Other debtors | 203,592 | 50,234 |
| Prepayments and accrued income | 80,825 | 135,501 |
| | <u>7,606,013</u> | <u>6,972,472</u> |

All amounts included above are considered receivable within one year of the balance sheet date

14 CREDITORS: Amounts falling due within one year

| | 2008 £ | 2007 £ |
|------------------------------------|------------------|------------------|
| Overdrafts | 287,968 | 820,668 |
| Trade creditors | 3,676,912 | 3,338,651 |
| Corporation tax | 54,901 | 101,981 |
| Other taxation and social security | 1,172,007 | 773,617 |
| Hire purchase agreements | 192,958 | 166,648 |
| Other creditors | 1,081,874 | 1,179,301 |
| Directors current accounts | - | 250,000 |
| Accruals and deferred income | 2,124,225 | 1,455,599 |
| | <u>8,590,845</u> | <u>8,086,465</u> |

The bank overdrafts are secured by way of a debenture over the assets of the company

Included within other creditors is an amount of £1,081,874 (2007 - £1,179,301) which relates to factored debts on which there is recourse to the company

15 CREDITORS: Amounts falling due after more than one year

| | 2008 £ | 2007 £ |
|--------------------------|----------------|----------------|
| Hire purchase agreements | <u>186,033</u> | <u>131,554</u> |

16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

| | 2008 £ | 2007 £ |
|--|----------------|----------------|
| Amounts payable within 1 year | 204,152 | 183,783 |
| Amounts payable between 2 to 5 years | 196,717 | 127,479 |
| | <u>400,869</u> | <u>311,262</u> |
| Less interest and finance charges relating to future periods | (21,878) | (13,060) |
| | <u>378,991</u> | <u>298,202</u> |
| Hire purchase agreements are analysed as follows | | |
| Current obligations | 192,958 | 166,648 |
| Non-current obligations | 186,033 | 131,554 |
| | <u>378,991</u> | <u>298,202</u> |

ASYSO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations. The main way in which the company manages its financial risk and cash flow is by virtue of a Sales Financing agreement. However, any debts over 90 days do revert back to the company.

For this reason, the company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

18. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as set out below:

| | Land & Buildings | |
|-------------------------------|-----------------------------|-------------|
| | 2008 | 2007 |
| | £ | £ |
| Operating leases which expire | | |
| After more than 5 years | 150,000 | 125,500 |

19. RELATED PARTY TRANSACTIONS

In the opinion of the directors, there is no one controlling party.

At 31 March 2008 the company owed R Phillpot, a director, £nil (2007: £250,000).

20. SHARE CAPITAL

Authorised share capital:

| | 2008 | 2007 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| 22,950 Ordinary A shares of £1 each | 22,950 | 22,950 |
| 27,050 Ordinary B shares of £1 each | 27,050 | 27,050 |
| | 50,000 | 50,000 |

Allotted, called up and fully paid:

| | 2008 | | 2007 | |
|------------------------------|---------------|---------------|---------------|---------------|
| | No | £ | No | £ |
| Ordinary A shares of £1 each | 22,950 | 22,950 | 22,950 | 22,950 |
| Ordinary B shares of £1 each | 27,050 | 27,050 | 27,050 | 27,050 |
| | 50,000 | 50,000 | 50,000 | 50,000 |

21. PROFIT AND LOSS ACCOUNT

| | 2008 | 2007 |
|-------------------------------|------------------|------------------|
| | £ | £ |
| Balance brought forward | 1,221,176 | 1,393,726 |
| Profit for the financial year | 136,364 | 227,450 |
| Equity dividends | - | (400,000) |
| Balance carried forward | 1,357,540 | 1,221,176 |

ASYSCO PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2008 | 2007 |
|---|-----------|-----------|
| | £ | £ |
| Profit for the financial year | 136,364 | 227,450 |
| Equity dividends | - | (400,000) |
| Net addition/(reduction) to shareholders' funds | 136,364 | (172,550) |
| Opening shareholders' funds | 1,271,176 | 1,443,726 |
| Closing shareholders' funds | 1,407,540 | 1,271,176 |