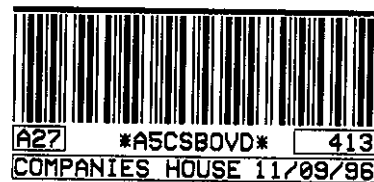


DATAFONE LIMITED  
ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1995

CONTENTS

- 1,2. Report of the Auditors
- 3. Abbreviated Balance Sheet
- 4,5. Notes to the Abbreviated Accounts

Registered Number 02292879 England & Wales



REPORT OF THE AUDITORS

TO THE DIRECTORS OF DATAFONE LIMITED

For the purposes of paragraph 24 of Schedule 8  
to the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 5 together with the full statutory accounts of the company for the year ended 31 December 1995 prepared under section 226 of the Companies Act 1985 (as modified by the exemptions provided by Part 1 of Schedule 8).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts 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 2 and whether the abbreviated accounts 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 full statutory accounts that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. 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 statutory accounts.

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 December 1995, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 15th May we reported, as auditors of DATAFONE LIMITED, to the shareholders on the full statutory accounts for the year ended 31st December 1995, and our audit report (under section 235 of the Companies Act 1985) was as follows :

REPORT OF THE AUDITORS (CONTINUED)

TO THE SHAREHOLDERS OF DATAFONE LIMITED

For the purposes of paragraph 24 of Schedule 8

to the Companies Act 1985

We have audited the accounts on pages 3 to 7 which have been prepared 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 accounts. It is our responsibility to form an independent opinion based on our audit, on those accounts and to report our opinion to you.

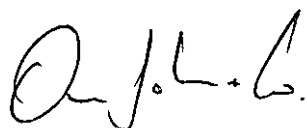
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at the 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provision of the Companies Act 1985 applicable to small companies.



OWEN JOHN & CO.  
CHARTERED ACCOUNTANTS  
& REGISTERED AUDITOR  
15th May 1996

DATAFONE LIMITEDBALANCE SHEET AS AT 31 DECEMBER 1995

		<u>1995</u> £	<u>1994</u> £
	<u>Notes</u>		
<b>FIXED ASSETS</b>	<b>2</b>		
Tangible Assets		200,590	226,896
<b>CURRENT ASSETS</b>	<b>3</b>		
Stock and Work-in-Progress		18,225	29,746
Debtors		33,502	62,001
Cash at Bank and in Hand		9,837	4,613
		<u>61,564</u>	<u>96,360</u>
<b>CREDITORS</b>	<b>4</b>		
Amounts due within one year		124,085	184,523
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(62,521)</u>	<u>(88,163)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>138,069</u>	<u>138,733</u>
<b>CREDITORS</b>	<b>4</b>		
Amounts due in more than one year		113,244	110,722
<b>NET ASSETS</b>		<u>£ 24,825</u>	<u>£ 28,011</u>
<b>CAPITAL AND RESERVES</b>	<b>5</b>		
Share Capital		2	2
Profit and Loss Account		24,823	28,009
<b>SHAREHOLDERS' FUNDS</b>		<u>£ 24,825</u>	<u>£ 28,011</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part I of Schedule 8 and have done so on the grounds that in their opinion, the company qualifies as a small company.

Approved by the Board on 15th May 1996 and signed on their behalf by :



Mrs. J.L.Mason  
DIRECTOR

DATAFONE LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 31 DECEMBER 1995**1 ACCOUNTING POLICIES**

- a. The Accounts have been prepared under the Historical Cost Convention.
- b. Turnover represents net invoiced sales of goods, excluding VAT.
- c. Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, less residual value, of each asset evenly over its expected useful life, as follows :
 

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
- d. Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.
- e. 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.
- f. Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.  
The interest element of the rental obligations is charged to profit and loss account over the period of the lease, and represent a constant proportion of the balance of capital repayments outstanding.  
Rentals paid under operating leases are charged to income as incurred.
- g. Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

**2 FIXED ASSETS**

<u>Tangible Assets</u>	Freehold Property	Short Leasehold Property	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£	£
<b>COST:</b>					
At 1 January 1995	172,030	29,807	29,828	25,738	257,403
Additions	(14,816)	-	25,465	9,948	20,597
Disposals	(20,000)	-	(15,250)	-	(35,250)
At 31 December 1995	137,214	29,807	40,043	35,686	242,750
<b>DEPRECIATION :</b>					
At 1 January 1995	5,648	4,472	12,351	8,035	30,506
On Disposals	-	-	(8,799)	-	(8,799)
Charge for the Year	3,041	5,961	6,101	5,350	20,453
At 31 December 1995	8,689	10,433	9,653	13,385	42,160
<b>NET BOOK VALUE :</b>					
At 31 December 1995	128,525	19,374	30,390	22,301	200,590
At 31 December 1994	166,382	25,335	17,477	17,703	226,897

The net value of fixed assets includes an amount of £29,454 (1994 - £16,230) in respect of assets held under finance leases and hire purchase agreements.

DATAFONE LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 31 DECEMBER 1995**3 DEBTORS**

Debtors include no amounts due in more than one year.

**4 CREDITORS**

Amounts due within one year :

The amount shown in the Balance Sheet includes bank borrowings of £32,326 (1994-£33,913) which are secured by directors guarantees.

Amounts due after more than one year :

The amounts shown in the Balance Sheet include no amounts due in more than five years.

**5 CALLED UP SHARE CAPITAL**

	<u>1995</u>	<u>1994</u>
	£	£
Ordinary Shares of £1 each :		
Authorised	1,000	1,000
Allotted, Issued and Fully Paid	2	2

**6 TRANSACTIONS WITH DIRECTORS**

There were no significant trading transactions with the directors during the year.