

CG House

CREST PERIPHERAL SERVICES LIMITED

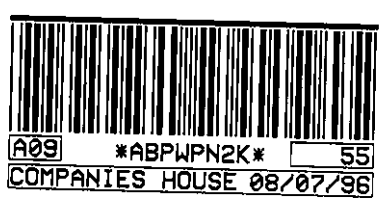
REPORTS AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 1996

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REGISTERED NUMBER    2420225



LEACH ♦ BRIGHT

COMPANY INFORMATION

DIRECTORS	D.C. Roberts C. Roberts K. Young
SECRETARY	C. Roberts
BANKERS	Lloyds Bank plc Bracknell Branch High Street BRACKNELL, Berkshire RG12 1BT
AUDITORS	Leach Bright Northcote House 115-117 Fleet Road FLEET, Hampshire GU13 8PD
SOLICITORS	Myers Cowley 37 Marlowes HEMEL HEMPSTEAD Hertfordshire, HP1 1LQ
REGISTERED OFFICE	37 Marlowes HEMEL HEMPSTEAD Hertfordshire HP1 1LQ
REGISTERED NUMBER	2420225

CREST PERIPHERAL SERVICES LIMITEDREPORT OF THE DIRECTORS

The directors present their report and the audited accounts of the company for the year ended 31 March 1996.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be the maintenance and repair of computer tape peripherals and ancillary objects.

DIRECTORS AND THEIR INTERESTS

The directors who held office throughout the year and their interests in the share capital of the company at the beginning and end of the year were as follows:

	<u>Ordinary shares of £1 each</u>	
	<u>At 31 March 1996</u>	<u>At 31 March 1995</u>
D.C. Roberts	59	59
C. Roberts	41	41

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 period. In preparing those financial statements, the directors are required to:

- i. select suitable accounting policies and then apply them consistently;
- ii. make judgments and estimates that are reasonable and prudent;
- iii. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv. prepare the financial statements on the 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 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.


CREST PERIPHERAL SERVICES LIMITEDREPORT OF THE DIRECTORS  
(Continued)AUDITORS

Leach Bright have signified their willingness to continue in office as auditors, and a resolution proposing their re-appointment will be submitted to the annual general meeting.

SMALL COMPANY EXEMPTIONS

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of the Companies Act 1985.

By order of the board



C. ROBERTS  
Secretary

17 June 1996

CREST PERIPHERAL SERVICES LIMITED

REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
CREST PERIPHERAL SERVICES LIMITED

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2, 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.

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 provisions of the Companies Act 1985 as applicable to small companies.



NORTHCOTE HOUSE  
115-117 FLEET ROAD  
FLEET, HAMPSHIRE  
GU13 8PD

LEACH BRIGHT  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

25 June 1996

CREST PERIPHERAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
<u>TURNOVER</u>	2	1,731,062	1,501,932
Cost of sales		727,091	548,743
<u>GROSS PROFIT</u>		1,003,971	953,189
Administrative expenses		759,312	739,268
Exceptional item	3	-	407,868
		244,659	(193,947)
Other operating income		2,668	-
<u>OPERATING PROFIT</u>	4	247,327	(193,947)
Interest payable and similar charges		(37,118)	(40,990)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		210,209	(234,937)
Tax on profit on ordinary activities	5	50,429	25,500
<u>RETAINED PROFIT FOR THE FINANCIAL YEAR</u>	11	159,780	(260,437)

TOTAL RECOGNISED GAINS AND LOSSES

The only recognised gain for the year was the profit for the financial year of £159,780 (1995 - loss of £260,437).


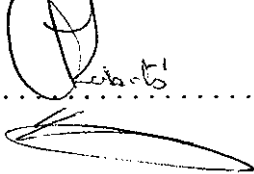
NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no material difference between the reported profit and the historical cost profit.

CREST PERIPHERAL SERVICES LIMITEDBALANCE SHEET  
AT 31 MARCH 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible assets	6	<u>126,610</u>	<u>121,019</u>
<u>CURRENT ASSETS</u>			
Stocks		175,969	183,447
Debtors	7	251,418	260,285
Cash at bank and in hand		-	1,101
		<u>427,387</u>	<u>444,833</u>
<u>CREDITORS:</u>			
Amounts falling due within one year	8	<u>451,382</u>	<u>611,889</u>
<u>NET CURRENT LIABILITIES</u>		<u>(23,995)</u>	<u>(167,056)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>102,615</u>	<u>(46,037)</u>
<u>CREDITORS:</u>			
Amounts falling due after more than one year	9	<u>204,502</u>	<u>215,630</u>
		<u>(101,887)</u>	<u>(261,667)</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	10	100	100
Profit and loss account	11	<u>(101,987)</u>	<u>(261,767)</u>
	12	<u>(101,887)</u>	<u>(261,667)</u>

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to those special exemptions as a small company.

  
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 ..... )  
 ..... )  
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D.C. ROBERTS

Directors Formally approved on 17 June 1996

C. ROBERTS

K. YOUNG

NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996

1 ACCOUNTING POLICIES

ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant and fittings	-	25% on a reducing balance basis per annum
Test equipment	-	25% on a reducing balance basis per annum
Motor vehicles	-	25% on a reducing balance basis per annum

STOCKS

Stocks are stated at the lower of cost and net realisable value as follows:

Cost is determined on an average basis.

The cost of goods for resale comprises purchase price, transport and handling costs.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

DEFERRED TAXATION

Deferred taxation is provided under the liability method on all timing differences to the extent that it is probable that the liability will crystallise in the foreseeable future.

LEASES AND HIRE PURCHASE

Assets acquired under hire purchase contracts are capitalised and included within fixed assets. Such assets are depreciated in accordance with the company's normal depreciation policy. Liabilities under hire purchase contracts, less interest not yet charged, are included in creditors. Interest is charged to the profit and loss account over the term of each contract on a sum of the years' digits basis.

The aggregate amount of finance charges for the year under hire purchase contracts was £13,514 (1995 - £12,504).

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.



NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996  
(Continued)

2 TURNOVER

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax.

The turnover and pre-tax profit are attributable to one activity, that of maintenance and repair of computer tape peripherals and ancillary objects, and arose wholly within the United Kingdom.

3 EXCEPTIONAL ITEM

	1996	1995
	£	£
Balance written off	-	182,868
Bank guarantee released	-	225,000
	-	407,868

The balance written off and bank guarantee released relates to management charges, exceptional costs and bank borrowings incurred in respect of the company's relationship with Atasi Group Holdings Limited who went into administrative receivership in December 1994.

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1996	1995
	£	£
Directors' management emoluments (including benefits of £11,571 (1995 - £nil))	173,650	122,906
Auditors' fees and expenses	3,400	9,000
Depreciation - owned assets	25,683	21,611
- assets held under hire purchase contracts	14,107	19,293
Operating lease rentals - property	61,573	63,818
Operating lease rentals - other	54,771	41,397
Profit on disposal of tangible fixed assets	(2,668)	891

CREST PERIPHERAL SERVICES LIMITED

NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996  
(Continued)

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on the profit for the year:

	1996	1995
	£	£
UK Corporation tax at a rate of 25%	50,429	25,500

6 TANGIBLE FIXED ASSETS

	Plant and fittings	Test equipment	Motor vehicles on hire purchase	Total
	£	£	£	£
Cost:				
At 31 March 1995	76,805	86,723	109,295	272,823
Additions	3,715	29,110	35,039	67,864
Disposals	-	-	(82,600)	(82,600)
At 31 March 1996	80,520	115,833	61,734	258,087
Depreciation:				
At 31 March 1995	47,354	46,262	58,188	151,804
Charge for the year	8,291	17,392	14,107	39,790
Released on disposal	-	-	(60,117)	(60,117)
At 31 March 1996	55,645	63,654	12,178	131,477
Net book amounts:				
At 31 March 1996	24,875	52,179	49,556	126,610
At 31 March 1995	29,451	40,461	51,107	121,019

NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996  
(Continued)

7 DEBTORS

	1996	1995
	£	£
Trade debtors	238,322	249,364
Other debtors	13,096	10,921
	<u>251,418</u>	<u>260,285</u>

8 CREDITORS:

Amounts falling due within one year:

	1996	1995
	£	£
Bank overdraft	133,747	197,843
Trade creditors	32,811	97,754
Current corporation tax	90,264	67,322
Other taxes and social security	106,274	102,798
Other creditors	88,286	146,172
	<u>451,382</u>	<u>611,889</u>

9 CREDITORS:

Amounts falling due after more than one year:

	1996	1995
	£	£
Wholly repayable within five years:		
Bank loans	233,211	225,000
Hire purchase contracts	42,477	55,846
	<u>275,688</u>	<u>280,846</u>
Less amounts due within one year (included in current liabilities):		
Bank loans	50,855	37,500
Hire purchase contracts	20,331	27,716
	<u>71,186</u>	<u>65,216</u>
Total due after more than one year	<u>204,502</u>	<u>215,630</u>

The amount of secured creditors are £275,688 (1995 - £280,846).

The bank loans and overdraft are secured by a standard debenture, a joint and several guarantee of the directors Christopher Roberts and Denis Colin Roberts and a guarantee of the Secretary of State for Trade and Industry.

NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996  
(Continued)

10 CALLED UP SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	£	£
<u>Authorised</u>		
Ordinary shares of £1 each	2,000	2,000
	<u>          </u>	<u>          </u>
<u>Allotted, issued and fully paid</u>		
Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

11 PROFIT AND LOSS ACCOUNT

	<u>1996</u>	<u>1995</u>
	£	£
Revenue deficit at 31 March 1995	(261,767)	(1,330)
Retained profit for the financial year	159,780	(260,437)
	<u>          </u>	<u>          </u>
Revenue deficit at 31 March 1996	(101,987)	(261,767)
	<u>          </u>	<u>          </u>

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	£	£
Profit for the financial year	159,780	(260,437)
	<u>          </u>	<u>          </u>
Net addition to shareholders' funds	159,780	(260,437)
Opening shareholders' funds	(261,667)	(1,230)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	(101,887)	(261,667)
	<u>          </u>	<u>          </u>

CREST PERIPHERAL SERVICES LIMITED

NOTES TO THE ACCOUNTS  
AT 31 MARCH 1996  
(Continued)

13 FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases at 31 March 1996 were as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Sundry:		
Leases expiring between two and five years	64,542	31,259
Leases expiring within one year	-	7,955
	<u>64,542</u>	<u>39,214</u>

14 CONTINGENT LIABILITIES

There were no significant contingent liabilities on 31 March 1996 nor on 31 March 1995.