

THE AXFORD MEDIA COMPANY LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31ST OCTOBER 1996



M. P. SAUNDERS & COMPANY  
CHARTERED ACCOUNTANTS AND  
REGISTERED AUDITOR  
183-191 BALLARDS LANE  
FINCHLEY CENTRAL  
LONDON N3 1LP

Company Number: 2974846 (England and Wales)

THE AXFORD MEDIA COMPANY LIMITED

REPORT OF THE DIRECTOR

The Director presents his Report and the Financial Statements for the year ended 31st October 1996.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the director 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 of the company for that period. In preparing those financial statements, the director is required to:-

- Select suitable accounting policies and then apply them consistently.
- Make judgments 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.

The director is 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 Company 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity continues to be that of Computer Consultancy and there were no significant changes during the year.

The results for the year are set out on page 4.

The director considers the results achieved on ordinary activities before taxation to be satisfactory.

Adequate finance has been obtained to take advantage of business opportunities, and the director considers the state of affairs to be satisfactory.

DIVIDENDS

A dividend of £24,800 was paid for the year.

FIXED ASSETS

Details of movements in fixed assets are set out in note 5 to the financial statements.

THE AXFORD MEDIA COMPANY LIMITEDREPORT OF THE DIRECTOR

(Continued)

DIRECTOR

The director who served during the year and his beneficial interest in the company's issued ordinary share capital was:

	<u>Number of Shares</u>	
	<u>1996</u>	<u>1995</u>
J Young Esq	1	1

AUDITORS

The Auditors, Messrs M P Saunders & Company, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 18th March 1997.

This report was Approved by the Board on .....<sup>4/6</sup>.....1997

Signed on behalf of the Board of Directors

X .....<sup>Young</sup>.....

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
THE AXFORD MEDIA COMPANY LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on pages 1 to 2 the company's director is 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 director 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 at 31st October 1996, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



M P SAUNDERS & COMPANY  
Chartered Accountants and  
Registered Auditor  
183-191 Ballards Lane  
Finchley Central  
London N3 1LP

Dated .....6/6.....1997

THE AXFORD MEDIA COMPANY LIMITED  
PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 31ST OCTOBER 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
<u>TURNOVER</u>		49,798	43,447
Administrative Costs		(17,079)	(15,200)
<u>OPERATING PROFIT</u>	3	32,719	28,247
Other Income		45	42
<u>PROFIT ON ORDINARY</u> <u>ACTIVITIES BEFORE TAXATION</u>		32,764	28,289
Taxation	4	(7,865)	(6,965)
<u>PROFIT FOR THE YEAR</u> <u>AFTER TAXATION</u>		24,899	21,324
Dividends		(24,800)	(21,200)
		99	124
Retained Profit brought forward		124	-
<u>RETAINED PROFIT CARRIED FORWARD</u>		£223	£124
		==	==


There were no recognised gains and losses for 1996 or 1995 other than those included in the profit and loss account.

The notes on pages 6 to 10 form part of these financial statements.

THE AXFORD MEDIA COMPANY LIMITED  
BALANCE SHEET AS AT 31ST OCTOBER 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
<u>FIXED ASSETS</u>			
Tangible Assets	5	8,115	5,375
<u>CURRENT ASSETS</u>			
Debtors	6	2,350	-
Cash at Bank and in Hand		184	2,965
		<u>2,534</u>	<u>2,965</u>
<u>CURRENT LIABILITIES</u>			
Creditors falling due within one year	7	<u>10,424</u>	<u>8,214</u>
		(7,890)	(5,249)
<u>NET ASSETS</u>		<u>£225</u>	<u>£126</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	8	2	2
Profit and Loss Account		<u>223</u>	<u>124</u>
<u>SHAREHOLDERS FUNDS</u>	9	<u>£225</u>	<u>£126</u>

 ..... DIRECTOR

Approved by the Board on .....  ..... 1997

The notes on pages 6 to 10 form part of these financial statements.

THE AXFORD MEDIA COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1996

1. ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts

The Financial Statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors Report and all of which are continuing.

The company has taken advantage of the exemptions in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

(b) Turnover

Turnover represents fees received from services provided, excluding Value Added Tax.

(c) Depreciation

Tangible Fixed Assets are depreciated at rates designed to write off the costs over their estimated useful lives. These rates are calculated as follows:-

Equipment	15% p.a. on written down value
Motor Vehicle	20% p.a. on written down value

(d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

(e) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

(f) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

THE AXFORD MEDIA COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1996

(Continued)

2. TURNOVER

The whole of the turnover and profit before taxation is attributable to the one principal activity of the company, Computer Consultancy. A geographical analysis of turnover is as follows:-

	<u>1996</u>	<u>1995</u>
United Kingdom	£49,798	£43,447

3. OPERATING PROFIT

This is stated after charging:-

Depreciation	£ 1,658	£ 1,113
Auditor's Remuneration	684	680
Directors Remuneration	5,400	5,400



THE AXFORD MEDIA COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1996

(Continued)

	<u>1996</u>	<u>1995</u>
4. <u>TAXATION</u>		
UK Corporation Tax	<u>£7,865</u>	<u>£6,965</u>

The Company is a close Company within the meaning of the Income and Corporation Taxes Act 1988.

5. TANGIBLE ASSETS

	<u>Equipment</u>	<u>Motor Vehicle</u>	<u>Total</u>
<u>Cost:</u>			
As at 1.11.95	3,693	2,795	6,488
Additions	2,784	3,850	6,634
Disposal	-	(2,795)	(2,795)
	<u>          </u>	<u>          </u>	<u>          </u>
As at 31.10.96	£6,477	£3,850	£10,327
	<u>          </u>	<u>          </u>	<u>          </u>
<u>Depreciation:</u>			
As at 1.11.95	554	559	1,113
Charge for the Year	888	770	1,658
Disposal	-	(559)	(559)
	<u>          </u>	<u>          </u>	<u>          </u>
As at 31.10.96	£1,442	£770	£2,212
	<u>          </u>	<u>          </u>	<u>          </u>
<u>Net Book Value</u> <u>at 31.10.96</u>	<u>£5,035</u>	<u>£3,080</u>	<u>£8,115</u>
<u>Net Book Value</u> <u>at 31.10.95</u>	<u>£3,139</u>	<u>£2,236</u>	<u>£5,375</u>

THE AXFORD MEDIA COMPANY LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1996

(Continued)

	<u>1996</u>	<u>1995</u>
6. <u>DEBTORS</u> Amounts falling due within one year		
Trade Debtors	£2,350	£ -
	<u>          </u>	<u>          </u>
7. <u>CREDITORS</u> Falling due within one year		
Directors Current Account	4	4
Corporation Tax	2,686	1,665
Social Security and Other Taxes	1,413	4,765
Other Creditors	6,321	1,780
	<u>          </u>	<u>          </u>
	£10,424	£8,214
	<u>          </u>	<u>          </u>