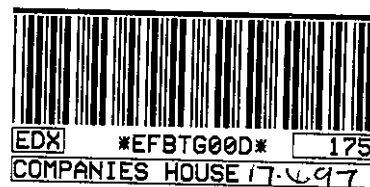


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DATA SYSTEMS TERMINALS LIMITED

REPORT AND  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
30 JUNE 1996



DATA SYSTEMS TERMINALS LIMITED

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996

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Contents	Pages
Company information	1
Directors' report	2 - 3
Auditors' report	4
Profit and loss account	5
Statement of recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 15
Detailed profit and loss statement	16 - 17

**DATA SYSTEMS TERMINALS LIMITED**

**COMPANY INFORMATION**  
**AS AT 30 JUNE 1996**

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**DIRECTORS**

N D Roberts  
S J Roberts  
S D Roberts  
T A Parkhouse (resigned 30/06/1996)

**SECRETARY**

S J Roberts

**REGISTERED NUMBER**

01367328

**AUDITORS**

Brooks Carling  
Addept House  
34A Sydenham Road  
Croydon  
Surrey CR0 2EF

## **DATA SYSTEMS TERMINALS LIMITED**

### **DIRECTORS' REPORT**

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The directors present their annual report with the financial statements of the company for the year ended 30 June 1996.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company in the year under review continued to be that of suppliers of point of sale equipment and related stationery.

#### **REVIEW OF THE BUSINESS**

The net profit after providing for taxation amounted to £7,674.

#### **DIVIDENDS**

No dividends were paid during the year and no recommendation is made as to dividends.

#### **POST BALANCE SHEET EVENTS**

Since the year end, the company has purchased new premises which cost £200,000. This has been financed by a secured mortgage of £160,000 repayable in equal instalments over 20 years, and the sale of freehold properties which were held at 30/06/96. Some have already been sold at the date of signing these accounts and the remaining properties are under negotiation. It is expected that by 30th June 1997 all the sales will have been completed and all of the outstanding bank loan at 30/06/96 repaid.

#### **DIRECTORS AND THEIR INTERESTS**

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		1996	1995
N D Roberts	Ordinary shares of £1 each	5,000	5,000
S J Roberts	Ordinary shares of £1 each	1,000	1,000
S D Roberts	Ordinary shares of £1 each	-	-
T A Parkhouse (resigned 30/06/1996)	Ordinary shares of £1 each	-	-

#### **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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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.

The directors are responsible for maintaining 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.

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company did not make any political contributions nor any charitable contributions.

#### **CLOSE COMPANY**

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

DATA SYSTEMS TERMINALS LIMITED

DIRECTORS' REPORT

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**AUDITORS**

The auditors, Brooks Carling, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**SMALL COMPANY EXEMPTIONS**

The directors have taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

By order of the board:



S J Roberts  
Secretary

Approved by the board: 15.4 - 1997

**DATA SYSTEMS TERMINALS LIMITED**

**AUDITORS' REPORT TO THE MEMBERS**

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We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and on the basis of accounting policies set out on pages 8 and 9.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

As described in the Directors' Report, 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 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 as to whether 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 affairs of the company as at 30 June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, applicable to small companies.



Brooks Carling

Registered Auditors  
Addept House  
34A Sydenham Road  
Croydon  
Surrey CR0 2EF

.....16/4/1997

**DATA SYSTEMS TERMINALS LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 1996**

	Notes	1996 £	1995 £
<b>TURNOVER</b>		1,541,704	1,195,961
Cost of sales		973,180	705,096
<b>GROSS PROFIT</b>		568,524	490,865
Distribution costs		84,060	26,971
Administrative expenses		449,987	403,385
<b>OPERATING PROFIT</b>	2	34,477	60,509
Interest payable and similar charges	3	(18,386)	(23,060)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		16,091	37,449
Tax on profit on ordinary activities	6	(8,417)	(4,055)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		7,674	33,394
Permanent diminution in freehold property	7	(22,420)	-
<b>ACCUMULATED LOSS FOR THE FINANCIAL YEAR</b>		(14,746)	33,394
Retained profits brought forward	16	82,203	48,809
<b>RETAINED PROFITS CARRIED FORWARD</b>		67,457	82,203

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 8 to 15 form part of these financial statements.

**DATA SYSTEMS TERMINALS LIMITED**

**STATEMENT OF RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 JUNE 1996**

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	1996 £	1995 £
Profit for the financial year after taxation	7,674	33,394
Unrealised movement on revaluation of properties	(39,761)	-
<b>TOTAL RECOGNISED LOSSES RELATING TO THE YEAR</b>	<u>(32,087)</u>	<u>33,394</u>

**Historical cost**

The difference between the results as disclosed in the profit and loss account before tax, and retained loss for the year, on an unmodified historical cost basis is not material.

The notes on pages 8 to 15 form part of these financial statements.

**DATA SYSTEMS TERMINALS LIMITED****BALANCE SHEET  
AT 30 JUNE 1996**

	Notes	£	1996 £	£	1995 £
<b>FIXED ASSETS</b>					
Tangible assets	7		277,303		405,250
<b>CURRENT ASSETS</b>					
Stocks	8	133,223		94,613	
Debtors	9	433,546		247,265	
Cash at bank and in hand		547		145	
		<u>567,316</u>		<u>342,023</u>	
<b>CREDITORS: amounts falling due within one year</b>	10	(765,796)		(552,739)	
<b>NET CURRENT LIABILITIES</b>			<u>(198,480)</u>		<u>(210,716)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			78,823		194,534
<b>CREDITORS: amounts falling due after more than one year</b>	11		<u>(5,366)</u>		<u>(88,990)</u>
<b>NET ASSETS</b>			<u>73,457</u>		<u>105,544</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		6,000		6,000
Revaluation reserve	15		-		17,341
Profit and loss account	16		67,457		82,203
<b>TOTAL SHAREHOLDERS' FUNDS</b>	19		<u>73,457</u>		<u>105,544</u>

In preparing these financial statements the directors have taken advantage of special exemptions applicable to small companies on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements were approved by the board of directors on 15.4.1997 and signed on its behalf by:

N D Roberts

)

)

Directors

S D Roberts

)

The notes on pages 8 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996**

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**1. STATEMENT OF ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial statements.

**(a) Turnover**

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

**(b) Depreciation of tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Motor vehicles	25% on written down value
Equipment, fixtures and tools	15% on written down value

No depreciation is charged on freehold and long leasehold land.

**Where zero depreciation of freehold buildings is appropriate**

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

**(c) Stocks**

Stocks are stated at the lower of cost and net realisable value.

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

**(d) 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.

**(e) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into the profit and loss account for the year.

**DATA SYSTEMS TERMINALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996**

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**1. STATEMENT OF ACCOUNTING POLICIES - (continued)**

**(f) Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(g) Pension costs**

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

**2. OPERATING PROFIT**

Operating profit is stated:	1996	1995
	£	£
(a) After charging:		
Depreciation of fixed assets	22,881	27,889
Auditors' remuneration	4,074	3,476
Loss on foreign currencies	1,740	-
Operating lease rentals		
Land and buildings	-	20,559
Plant and machinery	52,491	32,248
	<u>52,491</u>	<u>32,248</u>

**3. INTEREST PAYABLE AND SIMILAR CHARGES**

	1996	1995
	£	£
On bank loans and overdrafts	15,100	19,240
On overdue tax	52	-
Lease finance charges and hire purchase interest	3,234	3,820
	<u>18,386</u>	<u>23,060</u>

**DATA SYSTEMS TERMINALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996**

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**4. INFORMATION ON DIRECTORS AND EMPLOYEES**

	1996 £	1995 £
(a) Staff costs		
Wages and salaries	333,966	290,417
Social security costs	26,094	17,477
Other pension costs	16,956	14,720
	<u>377,016</u>	<u>322,614</u>
	1996 £	1995 £
Directors' emoluments		
Remuneration for management services (including pension contributions)	<u>94,551</u>	<u>100,487</u>

**5. PENSION COSTS**

**Defined contribution scheme**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £16,956 (1995 £14,720).

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	1996 £	1995 £
(a) The taxation charge comprises:		
UK corporation tax at 25/24% (1995 - 25%)	<u>8,417</u>	<u>4,055</u>

**DATA SYSTEMS TERMINALS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996****7. TANGIBLE FIXED ASSETS**

	Freehold Land and buildings £	Fixtures and equipment £	Motor vehicles £	Total £
<b>Cost or valuation:</b>				
At 1 July 1995	281,825	124,270	155,636	561,731
Additions	80,000	6,133	14,250	100,383
Revaluations	(39,761)	-	-	(39,761)
Disposals	(142,063)	-	(74,912)	(216,975)
At 30 June 1996	180,001	130,403	94,974	405,378
<b>Depreciation:</b>				
At 1 July 1995	-	58,756	97,725	156,481
Charge for year	-	10,747	12,134	22,881
On disposals	-	-	(51,287)	(51,287)
At 30 June 1996	-	69,503	58,572	128,075
<b>Net book value:</b>				
At 30 June 1996	180,001	60,900	36,402	277,303
At 30 June 1995	281,825	65,515	57,910	405,250

	1996 £	1995 £
<b>Analysis of net book value of land and buildings:</b>		
Freehold	180,001	281,825

Included above are assets held under finance leases or hire purchase contracts as follows:-

	1996 £	1995 £
<b>Net book values:</b>		
Fixtures and equipment	16,678	19,621
Motor vehicles	10,688	29,861
	27,366	49,482
<b>Depreciation charge for the year:</b>		
Fixtures and equipment	2,943	3,462
Motor vehicles	3,563	9,954
	6,506	13,416

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

**DATA SYSTEMS TERMINALS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996****7. TANGIBLE FIXED ASSETS - (continued)****Revaluation**

One of the freehold properties has been reduced in value at 30th June 1996 by £39,761. This consists of writing back the original revaluation reserve created on this property in 1986 of £17,341, and providing £22,420 based on the current property market and the disposal value expected to be realised in the next financial year.

**8. STOCKS**

	1996	1995
	£	£
Raw materials and consumables	133,223	94,613

**9. DEBTORS**

	1996	1995
	£	£
Trade debtors	4,186	230,253
Factored debts	378,369	-
Other debtors	4,880	17,012
Prepayments and accrued income	46,111	-
	433,546	247,265

- (a) The nett amount of factored debts after amounts received on account (see note 10) at 30th June 1996 was £246,746 (1995: nil.)

**10. CREDITORS: amounts falling due within one year**

	1996	1995
	£	£
Bank loans and overdrafts	196,656	170,501
Net obligations under finance leases and hire purchase contracts	12,113	20,483
Payments received on account of factoring	131,623	-
Trade creditors	244,916	164,735
Corporation tax	9,794	19,537
Other taxes and social security costs	31,896	26,634
Directors' current accounts	14,279	26
Other creditors	-	32,325
Accruals and deferred income	124,519	118,498
	765,796	552,739

**DATA SYSTEMS TERMINALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996**

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**10. CREDITORS: amounts falling due within one year - (continued)**

**(a) BANK SECURITY**

As security for bank loans and overdrafts advanced, the company's bankers hold a legal charge over the freehold properties and a debenture dated 17 October 1983 over certain assets of the company.

**11. CREDITORS: amounts falling due after more than one year**

	1996	1995
	£	£
Loans	-	76,699
Net obligations under finance lease and hire purchase contracts	5,366	12,291
	<u>5,366</u>	<u>88,990</u>

**12. BORROWINGS**

	1996	1995
	£	£
(a) The company's borrowings are repayable as follows		
Up to one year and on demand	208,769	190,984
Between one and two years	5,366	84,714
Between two and five years	-	4,276
	<u>214,135</u>	<u>279,974</u>
Wholly repayable within five years	<u>214,135</u>	<u>279,974</u>
Included in current liabilities	<u>208,769</u>	<u>190,984</u>

**13. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS**

	1996	1995
	£	£
Included in current liabilities	<u>12,113</u>	<u>20,483</u>

**DATA SYSTEMS TERMINALS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996****14. SHARE CAPITAL**

	1996 £	1995 £
Authorised:		
Equity interests:		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid:		
Equity interests:		
6,000 Ordinary shares of £1 each	6,000	6,000

**15. REVALUATION RESERVE**

	1996 £	1995 £
Balance at beginning of year	17,341	17,341
Released during the year	(17,341)	-
Balance at year end	-	17,341

**16. PROFIT AND LOSS ACCOUNT**

	1996 £	1995 £
Retained Profit at 1 July 1995	82,203	48,809
Profit for the year	7,674	33,394
Permanent diminution in freehold property	(22,420)	-
Retained profits at 30 June 1996	67,457	82,203

**17. CAPITAL COMMITMENTS****Operating leases**

Commitments on operating leases on plant and machinery were as follows:

	1996 £	1995 £
Leases expiring in:		
Up to one year	3,849	4,241
Between one and two years	27,967	7,211
Between two and five years	42,569	24,605

**DATA SYSTEMS TERMINALS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 1996**

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**18. CONTINGENT LIABILITIES**

Other than the bank security charge over the freehold properties, a debenture over certain assets of the company and the post balance sheet purchase of the freehold property stated in the directors report, there were no other commitments or contingent liabilities at the year end.

**19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
<b>Profit for the financial year</b>	7,674	33,394
Other recognised gains and losses relating to the year	(39,761)	-
<b>Net reduction to shareholders' funds</b>	<b>(32,087)</b>	<b>33,394</b>
Opening shareholders' funds	105,544	72,150
<b>Closing shareholders' funds</b>	<b>73,457</b>	<b>105,544</b>
<b>Represented by:-</b>		
Equity interests	73,457	105,544