

COMPANY REG NO: 01367328

DATA SYSTEMS TERMINALS LIMITED

FINANCIAL STATEMENTS

30 JUNE 1995

SIGNED COPY



DATA SYSTEMS TERMINALS LTD**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1995**

The directors present their annual report and the audited financial statements of the company for the year ended 30 June 1995.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £33,393.
The surplus for the year has been transferred to reserves.

BUSINESS REVIEW

The principal activity of the company continued to be that of suppliers of point of sale equipment and related stationery. In the opinion of the directors the company was in a satisfactory position at the year end.

FIXED ASSETS

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year, and their interests in the ordinary share capital of the company were as follows:

	30/06/1995	30/06/1994
N D Roberts	5000	5000
S J Roberts	1000	1000
S D Roberts	-	-
T A Parkhouse (Resigned 30th June 1996)	-	-

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 year. In preparing these financial statements, the directors should:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- * 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 accounts 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.

AUDITORS

Messrs. Rothman Pantall have expressed their willingness to be re-appointed in accordance with the requirements of section 385, Companies Act 1985.

BY ORDER OF THE BOARD

S. Absal

Willow Registrars Limited
Secretary

Date: 25th October 1996

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
DATA SYSTEMS TERMINALS LTD
FOR THE YEAR ENDED 30 JUNE 1995**

We have audited the financial statements on pages 3 to 11 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) 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 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

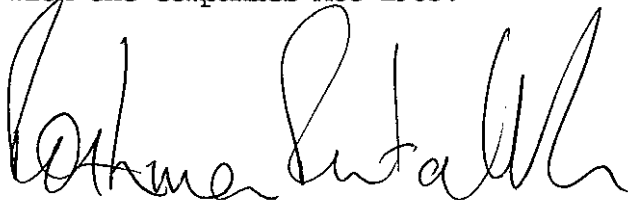
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board.

An audit includes an 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 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 evaluate 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 30 June 1995 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**ROTHMAN PANTALL & Co
Registered Auditors
Chartered Accountants**

**Clareville House
26/27 Oxendon Street
London SW1Y 4EP**

Date: 28th October 1996

DATA SYSTEMS TERMINALS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1995

	Notes	1995 £	1994 £
TURNOVER		1,191,377	1,092,766
COST OF SALES		(705,096)	(639,678)
GROSS PROFIT		486,281	453,088
Distribution costs		(26,971)	(45,400)
Administrative expenses		(405,536)	(377,359)
Other operating income	2	4,584	15,701
OPERATING PROFIT		58,358	46,030
Profit on disposal of fixed assets		2,150	924
Interest payable		(23,060)	(24,227)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	37,448	22,727
Tax on profit on ordinary activities	6	(4,055)	(1,981)
RETAINED PROFIT FOR THE YEAR		33,393	20,746
Retained profit brought forward		48,809	28,063
RETAINED PROFIT CARRIED FORWARD		<u>£ 82,202</u>	<u>£ 48,809</u>

The notes on pages 5 to 11 form part of these financial statements

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

DATA SYSTEMS TERMINALS LTD
BALANCE SHEET AS AT 30 JUNE 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible assets	7		405,250		436,552
CURRENT ASSETS					
Stock	8	94,613		87,464	
Debtors	9	247,265		126,735	
Cash at bank and in hand		145		42	
			<u>342,023</u>	<u>214,241</u>	
CREDITORS - amounts falling due within one year	10	(552,740)		(473,450)	
NET CURRENT (LIABILITIES)			(210,717)		(259,209)
ASSETS LESS CURRENT LIABILITIES			<u>194,533</u>		<u>177,343</u>
CREDITORS - amounts falling due after more than one year	11		(88,990)		(105,193)
NET ASSETS			<u>£ 105,543</u>		<u>£ 72,150</u>
Financed by:					
CAPITAL AND RESERVES					
Called up share capital	13		6,000		6,000
Revaluation reserve			17,341		17,341
Profit and loss account			82,202		48,809
Total equity shareholders funds	14		<u>£ 105,543</u>		<u>£ 72,150</u>

The accounts were approved by the Board of Directors and signed on 28 October 1996 on their behalf by:

..... S D Roberts (Director)

The notes on pages 5 to 11 form part of the financial statements.

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable Accounting Standards.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

In accordance with Financial Reporting Standard No.1, the company is exempt from the requirement to present a cash flow statement.

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention, with the exception of certain fixed assets which are stated at revalued amounts.

1.2 Turnover

This represents the value of goods and services provided, excluding value added tax.

The advance element of maintenance sales is provided for on a time apportionment basis.

1.3 Depreciation of tangible fixed assets

Tangible fixed assets are depreciated at the following rates which are appropriate to their estimated useful lives:

Fixtures and equipment	15% on written down value
Motor vehicles	25% on written down value
No depreciation is charged on freehold property:	

The directors consider that the level of repairs and maintenance on freehold buildings will result in the residual value of these assets exceeding the original cost and therefore have not provided for any depreciation for the year in respect of these assets.

Leasing and Hire Purchase:

Where the company has entered into finance leases or hire purchase agreements, the obligations to the lessor are shown as part of the borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Depreciation is provided in accordance with the accounting policy for the class of assets concerned and the interest cost is charged evenly over the term of the agreement.

The cost of operating leases is charged as incurred, including annual rentals arising on properties held under operating leases.

1.4 Stock

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

1.5 Deferred taxation

Provision is made by the liability method for all material timing differences which are expected to crystallise in the foreseeable future.

1.6 Pension 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 £15,556 (1994: £20,838).

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

2.	OTHER OPERATING INCOME	1995 £	1994 £
	Rent receivable	£ 4,584	£ 15,701
		<u> </u>	<u> </u>
3.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	1995 £	1994 £
	This is stated after charging:		
	Staff costs	230,103	212,894
	Directors' emoluments (Note 5)	92,511	88,859
	Auditors' remuneration	3,476	4,561
	Depreciation	27,889	25,495
	Profit on disposals of fixed assets	(2,150)	(924)
	Bank overdraft interest	10,738	7,869
	Hire of equipment	4,651	3,926
	Hire purchase interest	3,820	5,538
	Loan interest	8,502	10,820
	Operating leases - Land and buildings	20,559	24,060
	- Other	32,248	7,416
		<u> </u>	<u> </u>
4.	EMPLOYEE INFORMATION	1995 £	1994 £
4.1	Staff costs:		
	Wages and salaries	282,441	252,274
	Social security costs	25,453	22,641
	Other pension costs	14,720	20,838
		<u> </u>	<u> </u>
		£ 322,614	£ 295,753
		<u> </u>	<u> </u>
4.2	The average weekly number of employees during the year was as follows	No.	No.
	Management and administration	6	6
	Support services	3	4
	Sales and marketing	10	9
		<u> </u>	<u> </u>
		19	19
		<u> </u>	<u> </u>

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

5. DIRECTORS' EMOLUMENTS	1995 £	1994 £
Fees and Salaries	82,492	78,425
Pension contributions	10,019	10,434
	<u>£ 92,511</u>	<u>£ 88,859</u>

Details of emoluments

Chairman and highest paid director:	26,500	25,741
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The emoluments of the other directors
(excluding pension contributions) fell
within the following bands:

	No.	No.
£5001 to £10000	1	1
£20001 to £25000	1	2
£25001 to £30000	1	-

6.1 TAX CHARGE

	1995 £	1994 £
U.K. Corporation Tax on the Profit for the year at 25% (1994: 25%)	4,055	1,981
	<u>£ 4,055</u>	<u>£ 1,981</u>

6.2 The company is a close company within the terms of section 414 of the
Income and Corporation Taxes Act 1988.

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

7. TANGIBLE FIXED ASSETS

	Freehold Land and buildings £	Fixtures and equipment £	Motor vehicles £	Total £
Cost or valuation:				
At 1 July 1994	281,824	80,984	253,769	616,577
Additions	-	43,287	-	43,287
Disposals	-	-	(98,133)	(98,133)
At 30 June 1995	<u>281,824</u>	<u>124,271</u>	<u>155,636</u>	<u>561,731</u>
Depreciation:				
At 1 July 1994	-	50,171	129,854	180,025
Charge for year	-	8,585	19,304	27,889
Disposals	-	-	(51,433)	(51,433)
At 30 June 1995	<u>-</u>	<u>58,756</u>	<u>97,725</u>	<u>156,481</u>
Net book value at 30 June 1995	<u>£ 281,824</u>	<u>£ 65,515</u>	<u>£ 57,911</u>	<u>£ 405,250</u>
Net book value at 30 June 1994	<u>£ 281,824</u>	<u>£ 30,813</u>	<u>£ 123,915</u>	<u>£ 436,552</u>

Freehold land and buildings includes a property valued at £50,000 (historical cost £32,659). This valuation was carried out in 1986 on an existing use basis.

As security for loans and overdrafts advanced, the company's bankers hold a legal charge over the freehold property at 132/134 High Street, Carshalton, Surrey SM5 3AE.

Assets held under hire purchase agreements and included in motor vehicles and fixtures and equipment above are as follows:

	1995 £	1994 £
Net book value	<u>£ 49,481</u>	<u>£ 87,315</u>
Depreciation charge for the year	<u>£ 13,416</u>	<u>£ 17,320</u>

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

8. STOCK	1995	1994
	£	£
Stationery stocks	1,500	1,500
Goods for resale	93,113	85,964
	<u>£ 94,613</u>	<u>£ 87,464</u>
9. DEBTORS	1995	1994
	£	£
Trade debtors	230,253	110,981
Other debtors	17,012	15,288
Directors' current accounts	-	466
	<u>£ 247,265</u>	<u>£ 126,735</u>
10. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	1995	1994
	£	£
Bank loan and overdraft (see note 11)	170,501	162,504
Hire purchase	20,483	33,855
Trade creditors	164,736	111,281
Corporation tax	19,537	15,482
Other taxes and social security costs	26,634	19,228
Directors' current accounts	26	-
Other creditors	32,325	7,173
Accruals and advance invoicing	118,498	123,927
	<u>£ 552,740</u>	<u>£ 473,450</u>

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

11. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1995 £	1994 £
Bank loan	53,699	69,060
Unsecured loans	23,000	23,000
Hire purchase	12,291	13,133
	<u>£ 88,990</u>	<u>£ 105,193</u>

A debenture is held by the company's bankers giving security against certain company assets to support the overdraft and loan facility. The bank loan is repayable by fixed monthly instalments including interest which is charged on normal banking terms. On 21 July 1995 the company renegotiated its banking facilities as stated in note 12. The unsecured loans represent advances from the company pension scheme. Interest is paid quarterly and is charged on normal banking terms. There is no fixed repayment date. The hire purchase liability due after more than one year is repayable within five years.

12. POST BALANCE SHEET EVENT

On 21 July 1995 the company converted £192,000 of its existing bank overdraft and loan into a new medium term loan repayable by fixed monthly instalments, including interest, over ten years.

13. SHARE CAPITAL	1995 £	1994 £
Authorised:		
10,000 Ordinary shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>
Issued and fully paid:		
6,000 Ordinary shares of £1 each	<u>£ 6,000</u>	<u>£ 6,000</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1995 £	1994 £
Opening shareholders' funds	72,150	51,404
Profit for the year	33,393	20,746
Closing shareholders' funds	<u>£ 105,543</u>	<u>£ 72,150</u>

DATA SYSTEMS TERMINALS LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1995

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The company had no capital commitments or contingent liabilities at the year end (1994: £ Nil).