Companies House
Approval No. CHA113

COMPANIES FORM No. 155(6)a

G

Declaration in relation to assistance for the acquisition of shares.

155(6)a

Please do not write in this margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number
1641088

Note
Please read the notes on page 3 before completing this form.

Name of company

* ICOM SOLUTIONS LIMITED

1WB 29A

*insert full name of company

ǿinsert name(s)and address(es) of all the directors

~~I~~We ǿ Irene Norma Brown of 8 Downhall Close, Walsall, West Midlands, WS5 3BX and Raymond James Davies of 6 Bishops Cleeve, Austrey, Atherstone, Warwickshire, CV9 3EV

† delete as appropriate

~~[the sole director]~~ [all the directors] † of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever is inappropriate

~~(a) that of a [recognised bank] [licensed institution] within the meaning of the Banking Act 1979§~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom§~~

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~[company's holding company]~~

Li~~mited~~

The assistance is for the purpose of ~~[that acquisition]~~ [reducing or discharging a liability incurred for the purpose of that acquisition].

The number and class of the shares acquired or to be acquired is: 2,000,000 Ordinary Shares of £1 each and 500,000 Preference Shares of £1 each

Presentor's name address and reference (if any):
Wragge & Co,
55 Colmore Row,
Birmingham,
B3 2AS

Ref: 1146729/LCH/LDX

For official Use
General Section

Post room

BIR *B69CGUV7* 253
COMPANIES HOUSE 15/04/97

The assistance is to be given to: *(note 2)* ICOM Systems Limited (Number 3056544) whose registered office is situate at Lion House, PO Box 1240, Birmingham, B6 7UH and Lloyds Bank PLC of 71 Lombard Street, London, EC3P 3BS

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

The assistance will take the form of:

1. The giving of a guarantee in favour of Lloyds Bank Plc ("the Bank") in respect of the debts and liabilities of ICOM Systems Limited (3056544) to the Bank ("the Guarantee).

2. The giving of a debenture in favour of the Bank creating fixed and floating charges over the undertaking, property and assets of the Company ("the Debenture").

3. The making of a loan of up to £[918510-61] to ICOM Systems Limited ("the Loan").

1NB
RJ

4. The entering into of an agreement by way of deed with ICOM Systems Limited to make available to ICOM Systems Limited by way of loan ("the Second Loan") sufficient monies to make repayments of principal and payments of interest and the arrangement fee payable under a business loan agreement between ICOM Systems Limited and the Bank relating to the grant of a £500,000 term loan to ICOM Systems Limited ("the Term Loan").

RJ
INB

5. The signing of an authority for the Bank to debit to the Company's current account with the Bank all repayments of principal and payments of interest payable under the Term Loan ("the Authority").

The person who [has acquired] [XXXXXX] † the shares is:
ICOM Systems Limited (No 3056544) whose registered office is situate at Lion House, PO Box 1240, Birmingham, B6 7UH

† delete as appropriate

The principal terms on which the assistance will be given are:

1. The Guarantee to be given by the Company in favour of the Bank creates an obligation in respect of all sums due from ICOM Systems Limited (number 3056544) to the Bank from time to time and is in the standard form of guarantee used by the Bank.

2. The Debenture to be given by the Company to the Bank is in the Bank's standard form and creates fixed and floating charges over all of the undertaking, property and assets of the Company and secures all monies obligations and liabilities whether actual or contingent present or future due owing or incurred by the Company to the Bank whether as principal or surety.
See Continuation Sheet

The amount of cash to be transferred to the person assisted is £up to [£1,423510·61] together with all interest payable in respect of the Term Loan

RJ INB

The value of any asset to be transferred to the person assisted is £Nil

The date on which the assistance is to be given is on or before 30th April 1997

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

* delete either(a) or (b) as appropriate

I/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) I/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date] * (note 3)

(b) ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX and XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX)~~

And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 55 ~~Newhall Street~~ Colmore Row
Birmingham West Midlands

the 7 day of April
one thousand nine hundred and Seven

before me
Audrey Kelly

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferrred on a Commissioner for Oaths.

Declarants to sign below

I. Brown.
R Davis

NOTES

1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.

2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.

3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.

4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.

5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Continuation Sheet

918510-61 1NB

3. The Loan to be made by the Company to ICOM Systems Limited of up to £[ ] will be interest free unsecured and repayable on demand.

4. The Second Loan to be made by the Company to ICOM Systems Limited will be interest free unsecured and repayable on demand and provides for all payments due under the Term Loan to be made by the Company directly to the Bank in accordance with the Authority.

5. The Authority authorises the Bank to debit to the Company's current account with the Bank all payments of principal and interest payable under the Term Loan.

Before me: AUDREY KELLY.

this 7 day of April 1997

H:\SJB\01146729\DRAFT\0403MWA

LOOM SOLUTIONS LTD
DETAILED BUDGET TRADING STATEMENT FOR 1997

· 97

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
E:													
RNAL U.K. SALES	1,059,822	1,069,822	1,709,822	1,103,953	1,370,941	1,743,953	1,131,722	1,400,652	1,771,722	1,542,095	1,240,876	1,888,876	17,034,254
RNAL EXPORT SALES	60,500	70,500	70,500	70,500	70,500	70,500	70,500	65,500	70,500	70,500	70,500	102,500	863,000
H AMERICA -TBS	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	162,000
S INCOME	1,133,822	1,153,822	1,793,822	1,187,953	1,454,941	1,827,953	1,215,722	1,479,652	1,855,722	1,626,095	1,324,876	2,004,876	18,059,254
DITURE:													
DYMENT COSTS	592,202	590,724	594,499	569,107	664,951	569,192	586,575	686,745	587,768	699,773	595,236	597,404	7,334,177
RACT RESOURCE	307,790	307,790	307,790	333,960	417,450	333,960	379,413	400,035	346,422	464,181	371,345	371,345	4,341,480
UTER COSTS-HARDWARE	11,081	11,081	15,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	11,081	136,971
UTER COSTS-SOFTWARE	2,890	2,890	2,890	2,890	2,890	2,170	2,170	2,170	2,170	2,170	2,170	2,170	29,640
UTER COSTS-CONSUMABLES	967	967	967	967	967	967	967	967	967	967	967	967	11,600
ASES FOR RESALE	8,000	9,600	499,600	9,600	9,600	499,600	9,600	8,800	499,600	9,600	9,600	504,400	2,077,600
IRS & RENEWALS	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	1,960	23,520
CE EQUIPT MAINT	40	40	40	40	500	40	40	40	40	40	40	40	940
R	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	1,725	20,700
RANCE	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
CE RENT & RATES	38,152	38,152	38,152	38,152	38,152	38,152	38,152	38,152	38,152	38,152	38,152	38,152	457,824
PHONES	7,663	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	93,060
EL & ENT.-U.K.	58,358	57,119	59,495	57,873	58,729	59,680	58,479	57,846	59,947	60,614	60,214	61,780	710,129
NCE LEASE INTEREST	6,737	6,737	6,738	6,905	6,905	6,905	7,009	7,009	7,009	7,087	7,087	7,088	83,210
EL & ENT.-O'SEAS	6,050	5,050	6,250	5,050	6,050	6,450	6,050	5,050	6,250	8,050	6,050	6,450	72,800
RING	1,682	1,782	1,742	1,692	1,682	1,742	1,682	1,672	1,742	1,792	1,682	1,732	20,624
OCOPIERS	3,423	3,423	3,523	3,423	3,423	3,523	3,423	3,423	3,523	3,423	3,423	3,523	41,472
IONERY	3,306	3,207	3,805	3,306	3,207	3,205	3,306	3,207	3,805	3,306	3,207	3,205	40,076
IVERY COSTS	2,602	2,542	2,842	2,602	2,542	2,542	2,602	2,542	2,842	2,602	2,542	2,542	31,347
UITMENT	14,167	14,167	14,167	14,167	14,167	14,167	14,167	14,167	14,167	14,167	14,167	14,167	170,000
NING	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	13,100	157,200
S PAYABLE	7,242	8,317	7,241	9,242	8,742	7,241	7,292	8,292	7,291	8,792	8,292	7,291	95,275
ERTISING ETC	13,433	13,433	13,433	13,433	13,433	13,433	13,433	13,433	13,433	13,433	13,433	13,433	161,196
ER EXPENSES	4,852	4,697	5,062	5,447	4,934	4,698	5,071	4,781	4,882	5,881	4,962	5,332	60,599
ICAL/DENTAL/OPTHALMIC	440	440	440	440	440	440	440	440	440	440	440	440	5,280

DEPRECIATION	59,437	59,437	59,437	[illegible],199	59,199	59,199	57,767	57,767	57,767	60,567	60,567	60,567	[illegible],910
INTER.DIV.-TRFRS IN	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	43,140
INTER.DIV.-TRFRS OUT	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	3,595-	43,140-
TOTAL EXPENDITURE:	1,170,799	1,169,643	1,671,242	1,176,624	1,357,092	1,666,435	1,236,767	1,355,667	1,697,346	1,444,166	1,242,705	1,741,157	16,929,630
PRODUCT PROFIT	36,977-	15,821-	122,580	11,329	97,849	161,518	21,045-	123,985	158,376	181,929	82,171	263,719	1,129,624
CHECK:	36,976-	15,820-	122,581	11,329	97,850	161,518	21,045-	123,985	158,377	181,930	82,172	263,721	1,129,625

ICOM SOLUTIONS LTD

PLAN 1997 CONSOLIDATED BALANCE SHEET BY MONTH

	Dec'96	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
FIXED ASSETS	1,280,000	1,370,896	1,461,792	1,540,190	1,547,489	1,554,791	1,562,094	1,552,160	1,542,226	1,532,294	1,511,227	1,490,160	1,469,090
GOODWILL	1,943,889	1,935,371	1,926,853	1,918,335	1,909,817	1,901,299	1,892,781	1,884,263	1,875,745	1,867,227	1,858,709	1,850,191	1,841,673
CURRENT ASSETS													
Trade Debtors	2,514,006	2,538,588	2,594,775	3,367,438	2,655,388	3,007,065	3,742,205	2,725,124	3,068,570	3,805,016	3,239,245	3,343,233	3,799,466
Other Debtors & Prepayments	150,000	146,000	142,000	138,000	134,000	134,000	134,000	134,000	134,000	134,000	134,000	134,000	134,000
Deferred Lease interest	75,000	79,000	83,000	87,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Cash and Bank	300,000	292,454	357,270	56,428	837,931	316,919	5,000	1,139,083	688,845	188,625	1,067,170	568,805	534,837
	3,039,006	3,056,042	3,177,045	3,648,866	3,718,319	3,548,984	3,972,205	4,089,207	3,982,415	4,218,641	4,531,415	4,137,038	4,559,303
CURRENT LIABILITIES(due <1 year)													
Trade Creditors	450,000	450,000	450,000	1,025,750	1,025,750	450,000	1,025,750	1,025,750	450,000	1,025,750	1,025,750	450,000	1,025,750
Other Creditors & Accruals	1,223,383	1,242,471	1,401,060	1,275,840	1,324,027	1,733,421	1,604,061	1,700,752	2,105,233	1,674,106	1,863,273	1,997,079	1,776,872
Senior Debt Repayments	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Lease Creditor	400,000	412,667	425,333	438,000	450,667	463,333	463,333	463,333	463,333	463,333	463,333	463,333	463,333
Bank	0	0	0	0	0	0	(39,951)	0	0	0	0	0	0
	2,223,383	2,255,138	2,426,393	2,889,590	2,950,443	2,796,755	3,203,193	3,339,835	3,168,566	3,313,189	3,502,356	3,060,412	3,415,955
LONG TERM LIABILITIES(due >1 year)													
Senior Debt Repayments	900,000	900,000	900,000	900,000	900,000	900,000	825,000	825,000	825,000	825,000	825,000	825,000	750,000
Lease Creditor	550,000	636,080	705,887	777,250	781,827	753,720	770,965	772,369	767,972	769,377	762,858	756,341	731,411
	1,450,000	1,536,080	1,605,887	1,677,250	1,681,827	1,653,720	1,595,965	1,597,369	1,592,972	1,594,377	1,587,858	1,581,341	1,481,411
NET ASSETS	2,589,512	2,571,091	2,533,409	2,540,551	2,543,354	2,554,599	2,627,922	2,588,425	2,638,847	2,710,596	2,811,136	2,835,635	2,972,700
CAPITAL AND RESERVES													
Ordinary Shares	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
8% Cum.Redeem.Pref.Shares	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000
8% Cum.Part.Preferred Shares	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476	90,476
Redeem.Ordinary Shares	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000
Share Premium Account	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524	9,524
Revenue Reserve	(100,546)	525,712	525,712	480,512	480,512	480,512	480,512	480,512	480,512	480,512	277,140	277,140	277,140
Profit for YTD	760,000	(42,196)	(63,236)	54,125	60,235	152,865	309,164	283,502	402,870	556,630	733,942	811,496	1,070,606
Corporation Tax Provision '96	(251,000)	(217,565)	(217,565)	(217,565)	(217,565)	(217,565)	(217,565)	(217,565)	(217,565)	(217,565)	0	0	0
Corporation Tax Provision '97	0	13,925	20,868	(17,861)	2,722	(50,445)	(102,024)	(93,556)	(132,947)	(183,688)	(242,201)	(267,794)	(353,301)
Dividends Paid	(133,742)	0	0	(90,400)	(90,400)	(90,400)	(90,400)	(90,400)	(90,400)	(180,800)	(180,800)	(180,800)	(180,800)
Dividends Payable	(45,200)	(60,267)	(75,334)	0	(15,067)	(30,134)	(45,200)	(60,267)	(75,334)	0	(15,067)	(30,134)	(45,200)
Partic.Dividends Payable	0	0	0	(2,706)	(3,012)	(7,643)	(15,458)	(14,175)	(20,144)	(27,832)	(36,697)	(40,575)	(53,530)
Goodwill	0	(8,518)	(17,036)	(25,554)	(34,072)	(42,590)	(51,108)	(59,626)	(68,144)	(76,662)	(85,180)	(93,698)	(102,216)
	2,589,512	2,571,091	2,533,409	2,540,551	2,543,354	2,554,599	2,627,921	2,588,425	2,638,848	2,710,596	2,811,136	2,835,635	2,972,700

ICOM SOLUTIONS LTD

CASH FLOW 1997 – 2 month actuals

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
RECEIPTS:													
Sales Ledger Receipts	1,560,449	1,510,641	1,350,074	1,669,009	1,643,123	1,493,024	1,671,275	1,983,350	1,582,219	1,730,976	1,996,788	1,878,166	20,069,093
Sale of Fixed Assets	4,800	3,266	7,000	7,000	39,684	7,000	7,000	12,802	7,000	7,000	7,000	25,412	134,964
Interest Received	78	9,027											9,105
Other Receipts	908	7,065											7,973
TOTAL RECEIPTS	1,566,235	1,529,999	1,357,074	1,676,009	1,682,807	1,500,024	1,678,275	1,996,152	1,589,219	1,737,976	2,003,788	1,903,578	20,221,135
PAYMENTS:													
Purchase Ledger/Overheads	889,982	651,767	632,794	663,394	779,394	781,394	711,044	799,044	1,261,394	835,394	930,394	810,394	9,746,387
Salaries	529,014	537,144	660,000	575,000	585,000	595,000	605,000	615,000	625,000	635,000	645,000	650,000	7,256,158
Capital Expenditure	14,144	59,677	27,846	17,969	17,969	25,897	22,583	22,583	22,585	20,584	20,583	20,580	293,000
VAT	0	0	323,796	0	0	358,940	0	0	349,706	0	0	496,919	1,529,361
TOTAL TRADING PAYMENTS	1,433,140	1,248,588	1,644,436	1,256,363	1,382,363	1,761,231	1,338,627	1,436,627	2,258,685	1,490,978	1,595,977	1,977,892	18,824,906
Bank Repayments	0	0	400,000	0	13,888	13,888	13,888	13,888	13,888	13,888	13,888	13,888	511,104
Bank Interest	0	0	26,956	5,000	3,229	3,139	3,050	2,960	2,870	2,780	2,690	2,600	49,984
Corporation Tax	0	0	0	0	0	0	0	0	0	248,013	0	0	248,013
A.C.T	33,435	0	0	0	0	0	22,600	0	0	0	0	0	56,035
Lease Capital	37,501	18,661	28,069	26,188	58,872	26,188	23,561	29,363	23,561	25,151	25,151	43,563	365,829
Lease Interest	4,249	3,932	5,499	5,499	5,499	5,499	5,499	5,499	5,499	5,499	5,499	5,499	63,171
Dividends	0	0	0	90,400	0	0	0	0	0	90,400	0	0	180,800
TOTAL FINANCIAL PAYMENTS	75,185	22,593	460,524	127,087	81,488	48,714	68,598	51,710	45,818	385,731	47,228	65,550	1,480,226
NET CASH INFLOW/(OUTFLOW)	57,910	258,818	(747,886)	292,559	218,956	(309,921)	271,050	507,815	(715,285)	(138,732)	360,583	(139,864)	(83,998)
OPENING BALANCE	642,740	700,650	959,468	211,582	504,141	723,096	413,175	684,225	1,192,040	476,755	338,023	698,606	
NET CASH MOVEMENT	57,910	258,818	(747,886)	292,559	218,956	(309,921)	271,050	507,815	(715,285)	(138,732)	360,583	(139,864)	
CLOSING BALANCE	700,650	959,468	211,582	504,141	723,096	413,175	684,225	1,192,040	476,755	338,023	698,606	558,742	

ERNST & YOUNG

REPORT OF THE AUDITORS
to the directors of ICOM Solutions Limited

We have examined the attached statutory declaration of the directors dated 7 April 1997 in connection with the proposed financial assistance to be given by ICOM Solutions Limited ("the company") in connection with the purchase by ICOM Systems Limited of the entire issued share capital of the company.

Basis of opinion

We have enquired into the state of affairs of the company so far as necessary for us to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in the attached declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Ernst + Young

7 April 1997