

Stanmore Video Sales Limited
(formerly Quadrant Video Systems Limited)

Annual Report
for the year ended 29 February 1996

Registered no: 2144288



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(formerly Quadrant Video Systems Limited)

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for the year ended 29 February 1996

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Directors' report
for the year ended 29 February 1996

The directors present their report and the financial statements for the year ended 29 February 1996.

Transfer of trade

On 28 February 1995 the net assets and undertakings of Quadrant Video Systems Limited (registered no. 2144288) were transferred at net book value to Stanmore Video Sales Limited (registered no. 2127345), a previously dormant subsidiary of Quadrant Group plc.

Change of name

On 22 June 1995, the Company name was changed from Quadrant Video Systems Limited to Stanmore Video Sales Limited.

Principal activities

Until the transfer of trade referred to above, the company was principally engaged in the design, manufacture, sale, installation, service and hire of video, audio, presentation, CCTV and associated equipment. Since 1 March 1995, the company is dormant (within the meaning of Section 252 of the Companies Act 1985).

Changes in presentation of the financial statements

Following the introduction of Financial Reporting Standard No. 4 "Capital Instruments" and Financial Reporting Standard No. 5 "Reporting the Substance of Transactions", the presentation of the financial statements has been amended to conform with the new requirements. Shareholders' funds has been analysed between equity interests and non-equity interests.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend for the year ended 29 February 1996.

Directors

The directors of the company during the year were as follows:

R C Singleton
S D Eldred
M G Boddy
G C Wragg
S G Hope (Company Secretary)
P A Gregory

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Directors' interests in shares

None of the directors had any interests in the share capital of the company. The interests of the directors at 29 February 1996 in the shares of the holding company were as follows:

	Quadrant Group Plc Ordinary shares of 10p each	
	1996	1995
R C Singleton	55,000	26,588
M G Boddy	13,610	13,610
G C Wragg	5,000	-

			Share options	
	Exercisable between	Option price	1996	1995
R C Singleton	July 1994 to July 2001	84p	20,000	20,000
	June 1995 to June 2002	36p	25,000	25,000
	November 1995 to November 2002	20p	45,000	45,000
	June 1996 to June 2003	19p	50,000	50,000
M G Boddy	July 1994 to July 2001	84p	20,000	20,000
G C Wragg	July 1994 to July 2001	84p	10,000	10,000
P A Gregory	July 1994 to July 2001	84p	10,000	10,000

The directors who were directors of the ultimate holding company have their share interests shown in the financial statements of that company.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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 for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 29 February 1996. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Auditors

Under the provisions of Section 252 of the Companies Act 1985, the directors do not propose to appoint auditors while the company remains dormant.

By order of the board



S G Hope

Company Secretary

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Profit and loss account
for the year ended 29 February 1996

	Notes	1996	1995
		£	£
Turnover	2	-	8,606,546
Cost of sales	3	-	5,450,059
Gross profit	3	-	3,156,487
Other operating expenses	4	-	2,859,778
Operating profit		-	296,709
Profit on ordinary activities before interest		-	296,709
Interest (payable) / receivable	7	-	(150)
Profit on ordinary activities before taxation	8	-	296,559
Taxation charge / (credit) on ordinary activities	9	-	462
Retained profit for the year		-	296,097
Statement of retained losses			
Losses brought forward		(2,043,907)	(2,340,004)
Retained profit for the year		-	296,097
Losses carried forward		(2,043,907)	(2,043,907)

As stated in the Directors' Report, all of the trading activity of the Company was transferred to a fellow subsidiary as at 28 February 1995.

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Balance sheet
at 29 February 1996

	Notes	1996 £	1995 £
Fixed assets			
Tangible assets		-	-
Current assets			
Stocks		-	-
Debtors	10	436,093	436,093
Cash at bank and in hand		-	-
		<u>436,093</u>	<u>436,093</u>
Creditors : amounts falling due within one year		-	-
Net current assets		<u>436,093</u>	<u>436,093</u>
Total assets less current liabilities		436,093	436,093
Creditors : amounts falling due after one year		-	-
Net assets		<u>436,093</u>	<u>436,093</u>
Capital and reserves			
Called up share capital	11	2,480,000	2,480,000
Profit and loss account		(2,043,907)	(2,043,907)
Equity Shareholders' Funds	12	<u>436,093</u>	<u>436,093</u>

The company was a dormant company within the meaning of Section 252 of the Companies Act 1985 throughout the year ended 29 February 1996.

These accounts were approved by the Board of Directors on 5th August 1996 and were signed on its behalf by:

R C Singleton

Director



S G Hope

Director



Notes to the financial statements
for the year ended 29 February 1996

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standard in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention. The company is a wholly owned subsidiary of Quadrant Group PLC and the cash flows of this company are included in the consolidated group cash flow statement of Quadrant Group PLC. Consequently the company is exempt under the terms of FRS1 from preparing a cash flow statement.

Finance and operating leases

Assets acquired under finance leases or hire purchase agreements are capitalised and depreciated in accordance with the company's depreciation policy. The capital element of future lease payments is included in the balance sheet as obligations under finance leases.

Payments under operating leases are charged wholly to the profit and loss account in the period in which they are incurred.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied during the year.

Deferred taxation

Deferred taxation is provided in respect of material timing differences to the extent that it is probable that such differences will crystallise in the foreseeable future.

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Notes to the financial statements
for the year ended 29 February 1996

(continued)

2 Turnover: analysis by geographical area

	1996	1995
	£	£
European Community	-	8,606,546

3 Cost of sales and gross profit

	1996			1995		
	Continuin	Discontinued	Total	Continuin	Discontinued	Total
	£	£	£	£	£	£
Cost of sales	-	-	-	-	5,450,059	5,450,059
Gross profit	-	-	-	-	3,156,487	3,156,487

4 Total operating expenses

	1996			1995		
	Continuin	Discontinued	Total	Continuin	Discontinued	Total
	£	£	£	£	£	£
Distribution costs	-	-	-	-	104,258	104,258
Administrative expenses	-	-	-	-	2,755,520	2,755,520
Total operating expenses	-	-	-	-	2,859,778	2,859,778

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Notes to the financial statements
for the year ended 29 February 1996

(continued)

5 Directors' emoluments

The remuneration paid to the directors was:

	1996 £	1995 £
Emoluments (including pension contributions and benefits in kind)	-	229,039
	<u>-</u>	<u>229,039</u>

Emoluments (excluding pension contributions) include the following amounts paid to:

	1996 £	1995 £
The chairman	-	-
The highest-paid director	-	65,050

The number of directors (including the chairman and the highest-paid director) who received emoluments (excluding pension contributions) in the following ranges was:

	1996 Number	1995 Number
£0 to £5,000	-	2
£30,001 to £35,000	-	1
£35,001 to £40,000	-	1
£40,001 to £45,000	-	1
£45,001 to £50,000	-	1
£65,001 to £70,000	-	1

6 Employee information

The average weekly number of persons (Including executive directors) employed during the year was:

	1996 Number	1995 Number
Production	-	27
Selling and distribution	-	43
Administrative	-	21
	<u>-</u>	<u>91</u>

Staff costs (for the above persons):

	1996 £	1995 £
Wages and salaries	-	1,498,333
Social security costs	-	126,301
Pension costs	-	20,201
	<u>-</u>	<u>1,644,835</u>

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Notes to the financial statements
for the year ended 29 February 1996

(continued)

7 Net interest (payable) / receivable	1996	1995
	£	£
Interest receivable	-	1,838
Interest payable on finance leases repayable within five years	-	(1,988)
	<u>-</u>	<u>(150)</u>

8 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:	1996	1995
	£	£
Depreciation charge for the year		
Tangible owned fixed assets	-	292,625
Tangible fixed assets held under finance leases	-	13,935
Auditors' remuneration	-	12,700
Auditors' - other services	-	3,300
Hire of plant and machinery - operating leases	-	186,802
Hire of other assets - operating leases	-	124,337
Loss / (profit) on disposal of fixed assets	-	11,243
	<u>-</u>	<u></u>

9 Taxation on profit on ordinary activities

	1996	1995
	£	£
The charge / (credit) is made up as follows:		
United Kingdom corporation tax at 33%:		
Current	-	460
Over provision in respect of prior years:		
Current	-	2
	<u>-</u>	<u>462</u>

Losses carried forward for relief against future trading profits
amount to £ Nil (1995: £1,815,000)

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Notes to the financial statements
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10 Debtors: amounts falling due within one year	1996	1995
	£	£
Amounts owed by fellow subsidiary undertakings	436,093	436,093
	<u>436,093</u>	<u>436,093</u>
 11 Called up share capital	 1996	 1995
	£	£
Authorised		
Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>2,480,000</u>	<u>2,480,000</u>
 12 Reconciliation of movements in shareholders' funds	 1996	 1995
	£	£
Equity Shareholders' Funds	2,480,000	2,480,000
Profit and loss account	(2,043,907)	(2,043,907)
Equity Shareholders' Funds as at 29 February 1996	<u>436,093</u>	<u>436,093</u>

13 Ultimate Holding Company

Stanmore Video Sales Limited is a wholly owned subsidiary of Quadrant Group PLC, a company registered in England. Copies of the parent company's consolidated accounts may be obtained from Quadrant Group PLC, Priory House, Pitsford Street, Birmingham, B18 6LX.