

**SATELCOM LIMITED**

**Annual Report and Financial Statements**

**Year ended 28 February 2009**



# **SATELCOM LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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**SATELCOM LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2009**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

I M Cook  
N V Drakeford Lewis  
A D Miller (resigned 11 June 2009)  
J P Montanana  
M Rogers  
M R Starkey

**SECRETARY**

R G Maingot

**REGISTERED OFFICE**

110 Buckingham Avenue  
Slough  
Berkshire  
SL1 4PF

**BANKERS**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

**SOLICITORS**

Bowman Gilfillan  
25 John Street  
London  
WC1N 2BL

**AUDITORS**

Deloitte LLP  
Reading

# **SATELCOM LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the year ended 28 February 2009. The Directors have taken advantage of the provisions of the Companies Acts for small companies and have not prepared an enhanced business review.

### **REVIEW OF DEVELOPMENTS, FUTURE PROSPECTS AND GOING CONCERN**

The Company has been non-trading from 1 September 2005 when the networks services business was transferred to Logicalis UK Limited (a fellow subsidiary within the Logicalis Group) and is expected to be dormant for the foreseeable future. As referred to in note 1, the Directors have prepared the financial statements on the basis that the Company is no longer a going concern.

On 21 October 2008, the rights to an outstanding loan were transferred to Logicalis Group Limited for the consideration of £1.

### **DIVIDENDS**

The Directors do not recommend the payment of a dividend (2008: £nil).

### **DIRECTORS**

The Directors who served during the year and to the date of signing are shown on page 1.

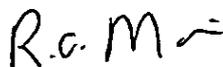
### **AUDITORS**

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985. Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



R G Maingot  
Company Secretary

22 July

2009

## **SATELCOM LIMITED**

### **REPORT AND FINANCIAL STATEMENTS 2009**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SATELCOM LIMITED**

We have audited the financial statements of Satelcom Limited for the year ended 28 February 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and Auditors**

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

### **Emphasis of matter – financial statements prepared on a basis other than that of going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

*Deloitte LLP*

**Deloitte LLP**

Chartered Accountants and Registered Auditors

Reading

*22 July*

2009

# SATELCOM LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 28 February 2009

		Year ended 28 February 2009 £'000	Year ended 29 February 2008 * restated £'000
Administrative expenses		-	(670)
<b>OPERATING LOSS</b>	4	-	(670)
Interest receivable and similar income	5	-	70
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	(600)
Tax charge on profit on ordinary activities	6	-	-
<b>TRANSFERRED TO RESERVES</b>	10	-	(600)

\* Prior year figures have been restated. See note 4.

All results are derived from discontinued operations.

There were no recognised gains and losses for either year other than the results presented above. Accordingly no statement of total recognised gains and losses is presented.

**SATELCOM LIMITED**

**BALANCE SHEET**  
**28 February 2009**

	Note	At 28 February 2009 £'000	At 29 February 2008 * restated £'000
<b>CURRENT ASSETS</b>			
Cash at bank		-	454
<b>CREDITORS: amounts falling due within one year</b>	7	(307)	(182)
<b>NET CURRENT (LIABILITIES) / ASSETS</b>		(307)	272
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	8	-	(579)
<b>NET LIABILITIES</b>		(307)	(307)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	12	12
Share premium account	10	434	434
Capital redemption reserve	10	10	10
Profit and loss account	10	(763)	(763)
<b>SHAREHOLDER'S DEFICIT</b>	10	(307)	(307)

\* Prior year figures have been restated. See note 4.

These financial statements were approved by the Board of Directors on **22ND JUL** 2009.

Signed on behalf of the Board of Directors



M Rogers  
Director

# **SATELCOM LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 28 February 2009**

### **1. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable UK accounting standards. The following accounting policies have been applied consistently throughout the current and preceding year.

#### **Going concern**

The Company transferred its trade, assets and liabilities to a fellow subsidiary company on 1 September 2005 and ceased trading. The Directors have prepared the financial statements on the basis that the Company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. No provision has been made for future losses other than those committed at the balance sheet date. All assets and liabilities were transferred to the fellow subsidiary company at their book value.

#### **Taxation**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Current tax, including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax and laws that have been enacted or substantially enacted by the balance sheet date.

#### **Provisions**

Provisions are created for vacant properties when the Group has a legal obligation for future expenditure in relation to onerous leases. The provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

#### **Leases**

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to the profit and loss in equal annual amounts over the lease term.

Income from operating lease rentals is recognised in the profit and loss account in equal annual amounts over the lease term.

### **2. CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES**

The Company is a wholly owned subsidiary of Datatec Limited and is included in the consolidated financial statements of Datatec Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1. The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Datatec Limited Group or investees of the Datatec Limited Group.

# SATELCOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 28 February 2009

### 3. INFORMATION REGARDING DIRECTORS

The Directors of the Company are also Directors of Logicalis Group Limited or fellow subsidiaries of Logicalis Group Limited and have not received remuneration from the Company for services performed for the Company. Details of their emoluments are disclosed in the accounts of the contractual employer. The amounts allocated to the Company for the services was £nil (2008: £nil).

### 4. OPERATING LOSS

	Year ended 28 February 2009 £'000	Year ended 29 February 2008* restated £'000
<b>Operating loss is after charging:</b>		
Impairment of loan	-	600
	<u>          </u>	<u>          </u>

\* Prior year figures have been restated to reflect the impairment of a loan.

The 2009 auditors' remuneration was borne by another group company. The amount allocated to the Company for the 2009 audit was £2,575 (2008: £1,500).

### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 28 February 2009 £'000	Year ended 29 February 2008 £'000
Interest receivable and similar income		
On bank deposits	-	23
Other interest receivable and similar income	-	47
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

### 6. TAXATION

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28.2% (2008: 30%). The actual tax credit for the current year is lower than the standard rate for the reasons set out in the following reconciliation.

	Year ended 28 February 2009 £'000	Year ended 29 February 2008 * restated £'000
Profit on ordinary activities before tax	-	(600)
Tax charge on profit on ordinary activities at standard rate 28.2%	-	(180)
<i>Factors affecting credit for the year:</i>		
Non deductible expenses	-	180
United Kingdom corporation tax charge for the year	<u>          </u>	<u>          </u>

\* Prior year figures have been restated. See note 4.

# SATELCOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 28 February 2009

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 28 February 2009 £'000	At 29 February 2008 * restated £'000
Amounts owed to group undertakings	307	182

\* Prior year figures have been restated. See note 4

### 8. PROVISIONS FOR LIABILITIES AND CHARGES

	Future property costs £'000
At 1 March 2008	579
Transferred to fellow subsidiary	(579)
At 28 February 2009	-

The onerous lease provision was transferred to Logicalis UK Limited as the lease on the property was novated to Logicalis UK Limited during the year.

### 9. CALLED UP SHARE CAPITAL

	At 28 February 2009 £'000	At 29 February 2008 £'000
<b>Authorised</b>		
61,250 ordinary shares of 20p each	12	12
<b>Called up, allotted and fully paid</b>		
59,380 ordinary shares of 20p each	12	12

### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S DEFICIT AND STATEMENT OF MOVEMENT IN RESERVES

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total 2009 £'000	Total 2008 * restated £'000
At 1 March	12	434	10	(763)	(307)	293
Loss for the year	-	-	-	-	-	(600)
At 28 / 29 February	12	434	10	(763)	(307)	(307)

\* Prior year figures have been restated. See note 4

# SATELCOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 28 February 2009

### 11. FINANCIAL COMMITMENTS

By 28 February 2009 the Company had transferred its lease commitment to another group company.

	Land and buildings	
	At 28 February 2009 £'000	At 29 February 2008 £'000
Leases which expire: After 5 years	-	251

### 12. CONTINGENT LIABILITIES

The Company and five fellow subsidiaries of Logicalis Group Limited, Logicalis Group Services Limited, Logicalis UK Limited, Logicalis Computing Solutions Limited, Intact Integrated Services Limited and Hawke Systems Limited, have cross guarantees and debentures for an overdraft facility provided by Barclays Bank Plc. The maximum potential liability at the balance sheet date was £nil (2008: £nil).

### 13. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

Logicalis Group Limited, incorporated in England and Wales, is the Company's immediate parent, controlling party and smallest group of which the Company is a member for which consolidated accounts are prepared. The Directors consider Datatec Limited, incorporated in South Africa, to be the ultimate parent company, controlling party and largest group of which the Company is a member for which consolidated accounts are prepared. Copies of the ultimate parent company's accounts can be obtained from Datatec Limited, P. O. Box 76226, Wendywood 2144, South Africa.