

**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**



**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
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**FOR THE YEAR ENDED 31 DECEMBER 1997**

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**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

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**DIRECTORS:** J R Gibbs  
J E Gibbs

The directors have pleasure in presenting their report and financial statements for the year ended 31 December 1997.

**REVIEW OF THE BUSINESS**

The company did not trade in the year.

**DIRECTORS' INTERESTS**

Neither of the directors had any interest in the shares of the company during the year. The interests of the directors in the ultimate parent company, IMS Communications Limited, are disclosed in the Directors' Report of that company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**AUDITORS**

After the year end the auditors changed their name to Horwath Clark Whitehill and have signed their audit report in their new name.

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Horwath Clark Whitehill as auditors to the company will be put to the annual general meeting.

**By Order of the Board**



**J E Gibbs**  
**DIRECTOR**

*11 March 1998*

**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for that year. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 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 or other irregularities.

## **AUDITORS' REPORT**

### **TO THE MEMBERS OF INTERACTIVE MEDIA SOLUTIONS LIMITED**

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We have audited the financial statements on pages 4 to 6 which have been prepared under the accounting policies set out on page 6.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2 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 financial 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 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 the information in the financial statements.

#### **UNQUALIFIED OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1997 and have been properly prepared in accordance with the Companies Act 1985.

Reading  
11 March 1998

  
**HORWATH CLARK WHITEHILL**  
Chartered Accountants  
and Registered Auditors

**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

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	1997 £	1996 £
<b>PROFIT FOR THE YEAR BEFORE AND AFTER TAXATION</b>	-	-
Dividend paid	<u>-</u>	<u>(23,000)</u>
<b>RETAINED LOSS FOR THE YEAR</b>	<u>£ -</u>	<u>£ (23,000)</u>

The notes on page 6 form part of these financial statements

INTERACTIVE MEDIA SOLUTIONS LIMITED

BALANCE SHEET

31 DECEMBER 1997

	Notes	1997 £	1996 £
<b>CURRENT ASSETS</b>			
Debtors	2	<u>£ 10,002</u>	<u>£ 10,002</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3	10,000	10,000
Profit and loss account	4	<u>2</u>	<u>2</u>
		<u>£ 10,002</u>	<u>£ 10,002</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 11 March 1998  
and signed on its behalf by:



J E Gibbs  
DIRECTOR

The notes on page 6 form part of these financial statements.

**INTERACTIVE MEDIA SOLUTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1997**

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**1. ACCOUNTING POLICIES**

**Basis Of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with:

- i) the Financial Reporting Standard For Smaller Entities; and
- ii) the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The company did not trade during the year and made neither a profit nor a loss.

**2. DEBTORS**

	1997 £	1996 £
Amounts owed by group undertaking	<u>£ 10,002</u>	<u>£ 10,002</u>

**3. SHARE CAPITAL**

Authorised, Allotted, Called Up and Fully Paid Ordinary Shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>
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**4. PROFIT AND LOSS ACCOUNT**

At 1 January 1997	2	23,002
Loss for the year	<u>-</u>	<u>(23,000)</u>
At 31 December 1997	<u>£ 2</u>	<u>£ 2</u>

**5. ULTIMATE PARENT COMPANY**

The directors consider the ultimate parent company to be IMS Communications Limited, a company registered in England and Wales.