

(COMPANY NUMBER: 2673686)

REGISTRARS COPY

**IMS COMMUNICATIONS LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**



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ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2001

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**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF IMS COMMUNICATIONS LIMITED**

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We have examined the abbreviated financial statements on pages 4 to 6 together with the financial statements of IMS Communications Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 2001.

**Respective responsibilities of the directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the registrar of companies and whether the abbreviated financial statements have been properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to discharge our limited responsibilities set out above. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion on the abbreviated financial statements**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246 (5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 4 to 6 have been properly prepared in accordance with those provisions.

*Horwath Clark Whitehill*

Reading

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

*7 March 2002*

**IMS COMMUNICATIONS LIMITED REGISTRARS COPY**  
**ABBREVIATED BALANCE SHEET**  
**31 DECEMBER 2001**

	Notes	2001 £	2000 £
<b>FIXED ASSETS</b>			
Tangible assets	2	45,747	34,435
Investments	3	<u>10,000</u>	<u>13,655</u>
		55,747	48,090
<b>CURRENT ASSETS</b>			
Stock		6,996	8,655
Debtors		48,902	121,347
Cash at bank and in hand		<u>211,485</u>	<u>336,981</u>
		267,383	466,983
<b>CREDITORS:</b> Amounts falling due within one year		<u>113,660</u>	<u>167,146</u>
<b>NET CURRENT ASSETS</b>		<u>153,723</u>	<u>299,837</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>209,470</u>	<u>347,927</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	6,668	10,002
Capital redemption reserve		3,334	-
Profit and loss account		<u>199,468</u>	<u>337,925</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>209,470</u>	<u>347,927</u>

The abbreviated financial statements 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 4 March 2002  
and signed on its behalf by:



P E GIBBS

DIRECTOR

The notes form part of these financial statements

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**IMS COMMUNICATIONS LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**

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**1. ACCOUNTING POLICIES**

**a) Basis of accounting**

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

- (i) the Financial Reporting Standard For Smaller Entities (effective March 2000), and
- (ii) the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption conferred by Section 248 of the Companies Act 1985 not to prepare group accounts.

**b) Depreciation**

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal instalments over the estimated useful lives as follows:

Computer Equipment	3 years
Fixtures and Fittings	5 years
Office Equipment	5 years

**c) Stock**

Stock is valued at the lower of cost and net realisable value.

**d) Deferred taxation**

Deferred taxation is accounted for using the liability method on all material timing differences to the extent that it is probable that liabilities or assets will crystallise. Timing differences are taxable items, allowances or reliefs that are given effect to in taxation periods different from those in which they have effect in the financial statements. They comprise mainly accelerated tax depreciation allowances and short-term timing differences.

**e) Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in operating profit. Assets and liabilities in foreign currencies are translated into sterling at the appropriate rates ruling at the balance sheet date.

**f) Pension scheme**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as the liability for payment is incurred.

**g) Leased assets**

Rentals payable under operating leases are charged to the profit and loss account as incurred.

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NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2001

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**2. TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 January 2001	187,416
Additions	41,116
Disposals	<u>(8,160)</u>
At 31 December 2001	<u>220,372</u>
<b>DEPRECIATION</b>	
At 1 January 2001	152,981
Charge for year	29,804
Disposal	<u>(8,160)</u>
At 31 December 2001	<u>174,625</u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2001</b>	<u><b>45,747</b></u>
<i>At 31 December 2000</i>	<u><i>34,435</i></u>

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**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**

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**3. INVESTMENTS**

	<b>2001</b>
	<b>£</b>
<b>COST</b>	
At 1 January 2001	13,655
Additions	-
Disposals	-
	<hr/>
At 31 December 2001	13,655
<b>Amounts written off</b>	
Provided in year	<hr/> 3,655
<b>Net book value</b>	
<b>At 31 December 2001</b>	<hr/> <b>10,000</b>
<i>At 31 December 2000</i>	<hr/> <i>13,655</i>

Details of the unlisted investments, which the company holds, are as follows:

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Holding (class)</b>	<b>Proportion held</b>	<b>Nature of business</b>
Interactive Media Solutions Limited	England and Wales	Ordinary	100%	Dormant
G Media Technology Plc	England and Wales	Ordinary	5%	Software development

Interactive Media Solutions Limited is a 100% owned subsidiary of IMS Communications Limited.

The aggregate of the share capital and reserves of Interactive Media Solutions Limited at 31 December 2001 was £ 10,002. The company did not trade during the year.

During April 2001, G Media Technology plc went into liquidation. As a consequence, the investment that IMS Communications Limited had in the company has been written down to nil.

Group accounts are not required as the directors consider the group to be small. The financial statements show information about the parent as an individual entity only.

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4. CALLED UP SHARE CAPITAL

	2001 £	2000 £
<b>Authorised</b>		
500,000 Ordinary Shares of 10p each	50,000	50,000
50,000 Preference Shares of £1 each	50,000	50,000
10,000 Non-Voting Shares of £1 each	<u>10,000</u>	<u>10,000</u>
	<u>110,000</u>	<u>110,000</u>
 <b>Allotted, Called Up and Fully Paid</b>		
66,680 Ordinary Shares of 10p each	<u>6,668</u>	<u>10,002</u>