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**Report of the Directors and  
Financial Statements  
for the Year Ended 30 June 1995  
for  
Vanguard Communications Plc**



**Vanguard Communications Plc**

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for the Year Ended 30 June 1995**

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**Vanguard Communications plc**

**Company Information  
for the Year Ended 30 June 1995**

**DIRECTORS:** J A Sutherland (Chairman and Managing Director)  
P Maddocks (Financial Director )  
Mrs M E Sutherland

**SECRETARY:** P. Maddocks

**REGISTERED OFFICE:** Communications House  
76 Wellington Road  
Rhyl  
Clwyd  
LL18 1LA

**REGISTERED NUMBER:** 2724392 (England and Wales)

**AUDITOR:** Kenneth Taylor  
Registered Auditor  
Certified Accountant  
49 Leadbrook Drive  
Oakenholt  
Flint  
Clwyd CH6 5ST

# Vanguard Communications Plc

## Report of the Directors for the Year Ended 30 June 1995

The directors present their report with the financial statements of the company for the year ended 30 June 1995.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply and repair of radio and cellular equipment to both retail and wholesale markets.

### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

### DIVIDENDS AND TRANSFERS TO RESERVES

The total distribution of dividends for the year ended 30 June 1995 will be £23,234 and the retained profit transferred to reserve will be £82,269.

### DIRECTORS

The directors during the year under review were:

J A Sutherland	
P Maddocks	
R J Whitley	- resigned 1.3.95
Mrs M E Sutherland	- appointed 1.3.95

The beneficial interests of the directors holding office on 30 June 1995 in the issued share capital of the company were as follows:

	30.6.95	1.7.94 or date of appointment if later
<b>Ordinary £1.00 shares</b>		
J A Sutherland	12,501	12,501
P Maddocks	-	-
Mrs M E Sutherland	1	-
<b>Ordinary a £1.00 shares</b>		
J A Sutherland	12,501	1
P Maddocks	-	-
Mrs M E Sutherland	-	-
<b>Ordinary b £1.00 shares</b>		
J A Sutherland	-	-
P Maddocks	-	1
Mrs M E Sutherland	-	-

# Vanguard Communications Plc

## Report of the Directors for the Year Ended 30 June 1995

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those 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;
- 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 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 and other irregularities.

### AUDITOR

The auditor, Kenneth Taylor, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

### ON BEHALF OF THE BOARD:

P. Maddocks - SECRETARY



Dated: 25 October 1995

# Vanguard Communications Plc

## Report of the Auditor to the Shareholders of Vanguard Communications Plc

I have audited the financial statements on pages five to twelve which have been prepared under the historical cost convention and the accounting policies set out on page seven.

### Respective responsibilities of directors and auditor

As described on page three the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.


### Basis of opinion

I conducted my 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 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Kenneth Taylor  
Registered Auditor  
Certified Accountant  
49 Leadbrook Drive  
Oakenholt  
Flint  
Clwyd CH6 5ST

Dated: 25 October 1995

# Vanguard Communications Plc

## Profit and Loss Account for the Year Ended 30 June 1995

		1995	1994
	Notes	£	£
<b>TURNOVER</b>	2	2,526,593	1,505,850
Cost of sales		2,202,443	1,309,285
<b>GROSS PROFIT</b>		324,150	196,565
Administrative expenses		158,570	98,325
<b>OPERATING PROFIT</b>	4	165,580	98,240
Interest receivable and similar income	5	1,577	12,518
		167,157	110,758
Interest payable and similar charges	6	27,040	2,128
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		140,117	108,630
Tax on profit on ordinary activities	7	34,614	25,371
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		105,503	83,259
Dividends	8	23,234	7,030
		82,269	76,229
Retained profit/(deficit) brought forward		74,049	(2,180)
<b>RETAINED PROFIT CARRIED FORWARD</b>		£156,318	£74,049

### CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

### TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

Vanguard Communications Plc

Balance Sheet  
30 June 1995

		1995		1994	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9		76,914		33,704
<b>CURRENT ASSETS:</b>					
Stocks	10	212,140		54,626	
Debtors	11	346,807		300,362	
Cash at bank and in hand		55,100		7,403	
		<u>614,047</u>		<u>362,391</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>239,156</u>		<u>302,277</u>	
<b>NET CURRENT ASSETS:</b>			<u>374,891</u>		<u>60,114</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			451,805		93,818
<b>CREDITORS: Amounts falling due after more than one year</b>	13		<u>282,983</u>		<u>7,265</u>
			<u>£168,822</u>		<u>£86,553</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	17		12,504		12,504
Profit & loss account			156,318		74,049
Shareholders' funds	18		<u>£168,822</u>		<u>£86,553</u>

ON BEHALF OF THE BOARD:

J A Sutherland - DIRECTOR

Approved by the Board on 25 October 1995



The notes form part of these financial statements



# Vanguard Communications Plc

## Notes to the Financial Statements for the Year Ended 30 June 1995

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25 % on reducing balance
Motor vehicles	- 25 % on reducing balance

#### Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

### 2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

### 3. STAFF COSTS

	1995 £	1994 £
Wages and salaries	80,804	69,440

The average weekly number of employees during the year was as follows:

	1995	1994
Administration	17	8

### 4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1995 £	1994 £
Hire of plant and machinery	315	247
Depreciation - owned assets	7,450	8,596
Profit on disposal of fixed assets	(2,295)	(1,000)
Patents & licences written off	-	4,515
Auditor's remuneration	4,000	2,400
Directors' emoluments	8,086	13,225

# Vanguard Communications Plc

## Notes to the Financial Statements for the Year Ended 30 June 1995

### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1995	1994
	£	£
Deposit account interest	1,577	96
Government grants received	-	12,422
	<u>1,577</u>	<u>12,518</u>

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	1995	1994
	£	£
Bank loans, overdrafts and other loans repayable within five years:		
otherwise than by instalments	-	65
Finance charges - hire purchase or finance leases	27,040	2,063
	<u>27,040</u>	<u>2,128</u>

### 7. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1995	1994
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax	<u>34,614</u>	<u>25,371</u>

UK Corporation Tax has been charged at 25% (1994 - 25%).

### 8. DIVIDENDS

	1995	1994
	£	£
Equity shares:		
1 Ordinary a shares of £1.00 each		
Interim - Ordinary a	7,400	2,757
1 Ordinary b shares of £1.00 each		
Interim - Ordinary b	15,834	4,273
	<u>23,234</u>	<u>7,030</u>

Vanguard Communications Plc

Notes to the Financial Statements  
for the Year Ended 30 June 1995

9. TANGIBLE FIXED ASSETS

	Plant and machinery	Motor vehicles	Totals
	£	£	£
<b>COST:</b>			
At 1 July 1994	26,798	16,180	42,978
Additions	16,878	33,782	50,660
	<u>43,676</u>	<u>49,962</u>	<u>93,638</u>
At 30 June 1995			
<b>DEPRECIATION:</b>			
At 1 July 1994	6,038	3,236	9,274
Charge for year	4,109	3,341	7,450
	<u>10,147</u>	<u>6,577</u>	<u>16,724</u>
At 30 June 1995			
<b>NET BOOK VALUE:</b>			
At 30 June 1995	<u>33,529</u>	<u>43,385</u>	<u>76,914</u>
At 30 June 1994	<u>20,760</u>	<u>12,944</u>	<u>33,704</u>

10. STOCKS

	1995	1994
	£	£
Stock	<u>212,140</u>	<u>54,626</u>

11. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR

	1995	1994
	£	£
V.A.T.	-	21,098
Trade debtors	309,377	256,335
Other debtors	19,930	8,361
Prepayments & accrued income	17,500	14,568
	<u>346,807</u>	<u>300,362</u>

# Vanguard Communications Plc

## Notes to the Financial Statements for the Year Ended 30 June 1995

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

	1995 £	1994 £
Bank loans and overdrafts (see note 14)	24,983	-
Hire purchase and finance leases (see note 15)	10,000	4,843
Trade creditors	157,286	241,297
Other creditors	-	19,074
Dividend	-	318
Social security & other taxes	4,861	1,611
Taxation	30,179	24,931
Accrued expenses	11,847	10,203
	<u>239,156</u>	<u>302,277</u>

### 13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1995 £	1994 £
Bank loans (see note 14)	250,000	-
Hire purchase and finance leases (see note 15)	32,983	7,265
	<u>282,983</u>	<u>7,265</u>

### 14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	1995 £	1994 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>24,983</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans	<u>250,000</u>	<u>-</u>

# Vanguard Communications Plc

## Notes to the Financial Statements for the Year Ended 30 June 1995

### 15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	1995 £	1994 £
Gross obligations repayable:		
Within one year	11,039	4,843
Between one and five years	36,218	9,190
	<u>47,257</u>	<u>14,033</u>
Finance charges repayable:		
Within one year	1,039	-
Between one and five years	3,235	1,925
	<u>4,274</u>	<u>1,925</u>
Net obligations repayable:		
Within one year	10,000	4,843
Between one and five years	32,983	7,265
	<u>42,983</u>	<u>12,108</u>

### 16. SECURED DEBTS

The following secured debts are included within creditors:

	1995 £	1994 £
Bank overdrafts	24,983	-
Bank loans	250,000	-
	<u>274,983</u>	<u>-</u>

The bank loans are secured by a debenture.

# Vanguard Communications Plc

## Notes to the Financial Statements for the Year Ended 30 June 1995

### 17. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	1995 £	1994 £
49,998	Ordinary	£1.00	49,998	49,998
1	Ordinary a	£1.00	1	1
1	Ordinary b	£1.00	1	1
			<u>50,000</u>	<u>50,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	1995 £	1994 £
12,502	Ordinary	£1.00	12,502	12,502
1	Ordinary a	£1.00	1	1
1	Ordinary b	£1.00	1	1
			<u>12,504</u>	<u>12,504</u>

### 18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	105,503	83,259
Dividends	(23,234)	(7,030)
	<u>82,269</u>	<u>76,229</u>
Share issue	-	2
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	<u>82,269</u>	<u>76,231</u>
Opening shareholders' funds	86,553	10,322
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>168,822</u>	<u>86,553</u>
Equity interests	<u>168,822</u>	<u>86,553</u>