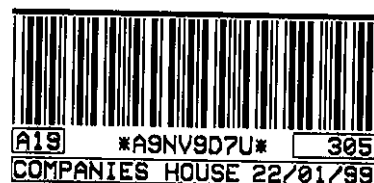


OMNITEL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28th FEBRUARY 1998

GEMJADE LIMITED
t/a TAX & ACCOUNTING SERVICES
SUITE 2
MORRITT HOUSE
58 STATION APPROACH
SOUTH RUISLIP
MIDDLESEX
HA4 6SA



Omnitel Limited

COMPANY INFORMATION

Director M. Chamberlaine

Secretary Mrs C Chamberlaine

Company number 2902256

Registered office Suite 2
Morritt House
58 Station Approach
South Ruislip
Middlesex HA4 6SA

Accountants Gemjade Ltd
Tax & Accounting Services
Suite 2
Morritt House
58 Station Approach
South Ruislip
Middlesex HA4 6SA

Principal Bankers Lloyds Bank PLC
21 High Street
Uxbridge
Middlesex UB8 1JD

Omnitel Limited

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Omnitel Limited

DIRECTORS' REPORT

For the Year Ended 28th February 1998

The director present his annual report with the financial statements for the year ended 28th February 1998

Principal activities

The principal activity of the company continues to be that of installation and maintenance of telephone systems.

Director and his interests

The Director of the company during the year and his beneficial interests in the company at the beginning and end of the year were as follows:

	Ordinary shares of £1 each	
	1997	1998
M.P. Chamberlaine	1	1

In the preparation of the directors' report advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985.

By order of the board



Date 4-1-98

M. Chamberlaine
Director

Omnitel Limited

DIRECTORS' REPORT

For the Year Ended 28th February 1998

Statement of Directors Responsibilities

Company Law requires the director to prepare each financial year which give a true and fair view of the state of affairs of the company and of the results for that year.

In preparing these financial statements the director is required to :

- 1 Select suitable accounting policies and then apply them consistently
- 2 Make judgements and estimates that are reasonable and prudent.
- 3 State whether applicable accounting standards have been followed.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the Company hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Results and Dividends

The results of the company for the year ended 28th February 1998 are set out in the financial statements.

A dividend of £8500 was paid during the year.

Fixed Assets

The movement of fixed assets are shown in note 5 to the accounts.

Omnitel Limited

BALANCE SHEET

as at 28th February 1998

	Notes	1997		1998	
		£	£	£	£
Fixed assets					
Tangible assets	5		1,837		2,532
Current assets					
Debtors	6	0		3376	
Cash at bank and in hand		14,203		15,525	
		14,203		18,901	
Creditors: amounts falling due within one year	7	15,967	1,764	10,910	7,991
Net current assets			73		10,523
Capital and Reserves					
Called up share capital	8		2		2
Profit and loss account			71		10,521
			73		10,523

In preparing these financial statements the directors have taken advantage of the exemption conferred by Section 249A (1) not to have these accounts audited and confirm that no notice has been deposited under Section 249B (2) of the Companies Act 1985.

The directors acknowledge their responsibility for ensuring that :

- (i) The company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- (ii) The financial statements give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

In preparing these financial statements :

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985 and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the board on 4-1-99


M. Chamberlain
Director

Omnitel Limited

PROFIT AND LOSS ACCOUNT

For the year ended 28th February 1998

	Notes	Y/E 1997 £	Y/E 1998
Turnover	1-2	34,152	57,376
Administrative expenses		21,406	33,051
<hr/>			
Profit / Loss on Ordinary Activities Before Taxation		12,746	24,325
Tax on profit on ordinary activities	3	3,080	5,375
<hr/>			
		9,666	18,950
Dividend Paid		10,000	8,500
Retained Profit for the Year		(334)	10,450
<hr/>			
Statement of Retained Profits / (Loss) for the Year		(334)	10,450
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Retained Profits / (Loss) at the end of the Year		405	71
<hr/>			
		71	10,521
<hr/>			

Total Recognised Gains and Losses:

There are no recognised gains and losses other than those passing through the profit and loss account

Continuing Operations

None of the Company's activities were acquired or disposed of during the above financial year

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 28th February 1998

1 Accounting policies

1.1 Accounting convention

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement not to produce a cashflow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and Equipment	25% p.a. on reducing balance
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1.5 Deferred taxation

No provision is made in the accounts for deferred taxation.

In the opinion of the director there is reasonable probability that the liability will not arise in the foreseeable future.

2 Turnover

The turnover and pre-tax profit is attributable to the principle activity.

The whole of the turnover is to the U.K. market.

3 Profit on Ordinary Activities before Taxation

The profit on Ordinary Activities before taxation is stated after charging:

	1997	1998
	£	£
Corporation Tax based on profits for the year at 24% and 21%	3080	5387

4 Operating Profit / (Loss)

The operating profit is stated after charging depreciation on tangible fixed assets.

(334)	844
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Omnitel Limited

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 28th February 1998

5	Tangible fixed assets		Fixtures Fittings <u>Equipment</u>
	Cost		£
	At 1st March 1997		2,959
	Additions		<u>1,539</u>
	At 28th February 1998		<u>4,498</u>
	Accumulated Depreciation		
	At 1st March 1997		1,122
	Charge for the Year		<u>844</u>
	At 28th February 1998		<u>1,966</u>
	Net book value		
	At 1st March 1997		<u>1,837</u>
	At 28th February 1998		<u>2,532</u>
6	Debtors	1997	1998
		£	£
	Trade Debtors	<u>NIL</u>	<u>3,376</u>
7	Creditors: amounts falling due within one year	1997	1998
		£	£
	Directors Current Account	12,248	37
	Corporation Tax	3,082	5,387
	Accrued Expenses	470	4,648
	Other Taxes	<u>167</u>	<u>838</u>
		<u>15,967</u>	<u>10,910</u>
8	Share capital	Authorised	Issued & Fully Paid
	Ordinary shares of £1 each	<u>£1,000</u>	<u>£2</u>
9	Reconciliation of Movements in the Shareholders' Funds	1997	1998
	Profit for the year after taxation	183	10450
	Opening Shareholders Funds	<u>588</u>	<u>71</u>
	Closing Shareholders Funds	<u>405</u>	<u>10521</u>

Omnitel Limited

TRADING PROFIT AND LOSS ACCOUNT
YEAR ENDED 28th February 1998

	1997		1998	
	£	£	£	£
Work Done		34152		57376
<u>Less Expenses</u>				
Materials	2178		6900	
Rent & Rates	260		260	
Sub Contractor	3000		8775	
Directors Remuneration & NIC	8677		8112	
Employers NI	0		567	
Motor & Travelling Expenses	5168		5564	
Telephone	713		781	
Printing Postage Stationery	60		163	
Small Tools	119		181	
Bank Charges	67		68	
Accountancy	470		617	
Sundries	82		100	
Depreciation	<u>612</u>	21406	<u>844</u>	32932
<u>Interest Payable</u>				
Interest Payable on Overdue Tax		<u>0</u>		<u>119</u>
		21406		33051
		<u>12746</u>		<u>24325</u>