

NOVELLA SATCOMS LIMITED

COMPANY NUMBER
3475429

ABBREVIATED ACCOUNTS
for the year ended
31 December 2005



NOVELLA SATCOMS LIMITED

BALANCE SHEET

31 December 2005

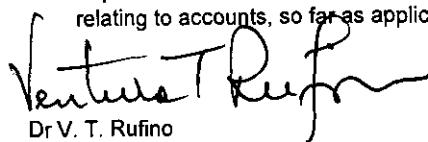
	Note	2005	2004
FIXED ASSETS			
Intangible assets	1	-	-
Tangible assets	2	126,381	125,201
		<u>126,381</u>	<u>125,201</u>
CURRENT ASSETS			
Stock and work in progress		257,368	212,608
Trade debtors		234,786	186,407
Income tax		540	
Other taxation		27,343	-
Other debtors		2,161	
Prepayments		25,708	6,853
Cash at bank and in hand		190,915	65,614
		<u>738,821</u>	<u>471,481</u>
CREDITORS - amounts falling due within one year	3	<u>323,412</u>	<u>251,105</u>
NET CURRENT ASSETS		<u>415,409</u>	<u>220,376</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>541,790</u>	<u>345,577</u>
CREDITORS - amounts falling due after more than one year	4	-	(868)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(5,144)</u>	<u>(5,311)</u>
NET ASSETS		<u><u>£ 536,646</u></u>	<u><u>£ 339,398</u></u>
Representing:			
CAPITAL AND RESERVES			
Called up share capital	5	750	760
Reserves		535,896	338,638
SHAREHOLDERS' FUNDS - equity interests		<u><u>£ 536,646</u></u>	<u><u>£ 339,398</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. Advantage has been taken of available exemptions.

The financial statements on pages 1 to 4 were approved by the Board on 19 October 2006.

**STATEMENT BY THE DIRECTORS UNDER SECTION 249B COMPANIES ACT 1985
(CONCERNING EXEMPTION OF AUDIT)**

- For the year ended 31 December 2005 the company was entitled to exemption under subsection (1) of section 249A.
- No notice has been deposited under subsection (2) of section 249B in relation to these accounts.
- The directors acknowledge their responsibilities for
 - i) ensuring that the company keeps accounting records which comply with section 221 and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.


Dr V. T. Rufino
Director

NOVELLA SATCOMS LIMITED

ACCOUNTING POLICIES

for the year ended 31 December 2005

CONVENTION

The financial statements have been prepared in accordance with applicable accounting standards and in accordance with the historical cost convention, no adjustment having been made for the effect of inflation.

TURNOVER

Turnover is the invoiced amount of goods sold, less credits issued, falling within the company's ordinary activities and is stated exclusive of Value Added Tax.

FIXED ASSETS AND DEPRECIATION

On tangible fixed assets depreciation is calculated to write down their cost to estimated residual values by equal instalments over the period of their estimated economic lives. The following rates are applied:-

Plant and cars	-	25% reducing balance
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STOCKS

Stocks are valued at the lower of cost and estimated net realisable value.

DEFERRED TAXATION

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

RESEARCH AND DEVELOPMENT

Research and development costs are written off to profit and loss account as incurred.

LEASE AND HIRE PURCHASE CONTRACTS

Assets obtained under hire purchase and leases which result in the transfer to the company of substantially all the risks and rewards of ownership (finance leases) are capitalised as tangible fixed assets and are depreciated in accordance with the above policy. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payments is charged to the Profit and Loss Account over the period of the lease or hire purchase contract so as to produce a constant periodic rate of charge on the outstanding balance of the net obligation in each period.

Rentals paid under other leases (operating leases) are charged against income on a straight line basis over the lease term.

PRODUCT WARRANTIES

The cost of maintenance under guarantees and warranties in respect of products delivered and invoiced is recognised as soon as the company accepts liability.

NOVELLA SATCOMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2005

1 INTANGIBLE FIXED ASSETS	Goodwill
COST	
At 1 January and 31 December 2005	66,000
AMORTISATION	
At 1 January 2005 and 31 December 2005	66,000
NET BOOK VALUE	
At 31 December 2005	£ -
At 31 December 2004	£ -
2 TANGIBLE FIXED ASSETS	Total
COST	
At 1 January 2005	290,552
Additions	43,307
At 31 December 2005	333,859
DEPRECIATION	
At 31 December 2004	165,351
Charge for the period	42,127
At 31 December 2005	207,478
NET BOOK VALUE	
At 31 December 2005	£ 126,381
At 31 December 2004	£ 125,201
The net book value of assets includes £45,072 (2004: £41,023) in respect of assets held under hire purchase agreements.	
3 CREDITORS: amounts falling due within one year	
Creditors includes £22,618 (2004: £26,900) due under finance leases.	
4 CREDITORS: amounts falling due after more than one year	2005 2004
Wholly repayable within 5 years:	
Obligations under finance leases	£ - £ 868

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2005

5 SHARE CAPITAL

	2005	2004
Authorised		
1,000,000 ordinary shares of £1 each	£1,000,000	£ 1,000,000
Issued, allotted and fully paid		
400 'A' ordinary shares of £1 each	400	400
360 'B' ordinary shares of £1 each	350	360
	£ 750	£ 760