

REGISTERED NUMBER: 3926817 (England and Wales)

C. H.  
(ENGLAND)

Unaudited Abbreviated Accounts for the Year Ended 31 May 2005

for

Justfone Ltd



**Justfone Ltd**

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for the Year Ended 31 May 2005**

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**Justfone Ltd**

**Company Information  
for the Year Ended 31 May 2005**

**DIRECTORS:**

T Ford  
S A Brown

**SECRETARY:**

T Ford

**REGISTERED OFFICE:**

Cobbetts  
Ship Canal House  
King Street  
Manchester  
M2 4WB

**REGISTERED NUMBER:**

3926817 (England and Wales)

**ACCOUNTANTS:**

The James Rosie Partnership  
Chartered Accountants  
Riverside House  
Ladhope Vale  
Galashiels  
TD1 1BT

Justfone Ltd

Abbreviated Balance Sheet  
31 May 2005

31.5.04				31.5.05	
£	£		Notes	£	£
		<b>FIXED ASSETS:</b>			
	3,066	Tangible assets	2		985
		<b>CURRENT ASSETS:</b>			
64,012		Debtors		45,862	
5,267		Cash at bank and in hand		27,374	
69,279				73,236	
		<b>CREDITORS: Amounts falling</b>			
57,029		due within one year		80,576	
	12,250	<b>NET CURRENT (LIABILITIES)/ASSETS:</b>			(7,340)
	15,316	<b>TOTAL ASSETS LESS CURRENT</b>			
		<b>LIABILITIES:</b>			(6,355)
	533,218	<b>CREDITORS: Amounts falling</b>			559,638
		due after more than one year			
	£(517,902)				£(565,993)
		<b>CAPITAL AND RESERVES:</b>			
	10,000	Called up Share Capital	3	10,000	
	(527,902)	Profit & Loss Account		(575,993)	
	£(517,902)	<b>SHAREHOLDERS' FUNDS:</b>			£(565,993)

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 May 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year 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.

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



T Ford - Director

Approved by the Board on 17<sup>th</sup> November 2005

The notes form part of these abbreviated accounts

2000 10/10/00

Justfone Ltd

Notes to the Abbreviated Accounts  
for the Year Ended 31 May 2005

1. ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**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.

Office Equipment      - 33% on cost and  
                                     20% on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Going Concern**

The company has invested in research and product development and, the business is expecting to enter a period of growth. However the nature of the business is such that there is considerable uncertainty over the volume of sales and the timing of cash flows. At present, the company meets its day to day working capital requirements through cash balances, and the availability of funding from the directors. The directors have reviewed the expected results for the period ending 12 months from the date of approval of these financial statements. On the basis of these projections and the continued availability of director funding it is considered appropriate to prepare the financial statements on the going concern basis.

2. TANGIBLE FIXED ASSETS

	Total
	<u>£</u>
<b>COST:</b>	
At 1 June 2004	46,058
Additions	<u>498</u>
At 31 May 2005	<u>46,556</u>
<b>DEPRECIATION:</b>	
At 1 June 2004	42,992
Charge for year	<u>2,579</u>
At 31 May 2005	<u>45,571</u>
<b>NET BOOK VALUE:</b>	
At 31 May 2005	<u>985</u>
At 31 May 2004	<u><u>3,066</u></u>

**Justfone Ltd**

**Notes to the Abbreviated Accounts  
for the Year Ended 31 May 2005**

**3. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.5.05 £	31.5.04 £
10,000	Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>

**4. RELATED PARTY DISCLOSURES**

On 12 June 2003, Holders Technology plc sold all its 8,500 shares in the company to Mr Timothy Ford (Director). As a result of this sale Holders Technology plc ceased to be the company's parent, and the controlling party became Mr Ford.

Under the terms of an agreement between Holders Technology plc and Mr Ford, the indebtedness of the company to Holders Technology plc, totalling £424,500, was rescheduled.

The repayment of the rescheduled debt is to be made in three tranches. The first tranche of £141,500 was repaid on 12 June 2003. The second tranche totalling £112,000 is repayable to Holders Technology plc in 57 monthly instalments of £1,965 commencing 1 September 2003.

The remaining £171,000 balance owing to Holders Technology plc is repayable within 30 days after the audited accounts of the company for the period ended on 31 May 2006 have been signed off by the directors provided that the net profit of the company in the three years to 31 May 2006 exceeds £1,000k. In the event that the net profit is less than £1,000k then a lower amount, according to a scale, is repayable to Holders Technology. At this stage the directors feel it is prudent to make full provision for this liability.

No interest is applicable under the terms of this agreement. The movement of this outstanding debt can be summarised as follows.

	Opening balance	Repayments in period	Closing balance
Tranche 1	Nil	Nil	Nil
Tranche 2	94,315	(23,580)	70,735
Tranche 3	171,000	Nil	171,000
Total	<u>265,315</u>	<u>(23,580)</u>	<u>241,735</u>

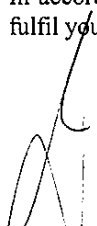
**Justfone Ltd**

**Report of the Accountants to the Directors of  
Justfone Ltd**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to four) have been prepared.

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 May 2005 set out on pages one to ten and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



The James Rosie Partnership  
Chartered Accountants  
Riverside House  
Ladhope Vale  
Galashiels  
TD1 1BT

Date: ..... 24.10.05 .....