

AAD COMMUNICATIONS LIMITED
DIRECTORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2006
COMPANY NO: 4695333

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AAD COMMUNICATIONS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2006

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DIRECTOR	Mr. J.A. Dalhouse
COMPANY NUMBER	4695333
REGISTERED OFFICE	Unit 2 Knight House 140 – 142 High Street LONDON SE20 7EU
BUSINESS ADDRESS	Unit 2 Knight House 140 – 142 High Street LONDON SE20 7EU

AAD COMMUNICATIONS LIMITED
REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31ST MAY 2006

The Director presents his report, together with the financial statements for the year ended 31st May 2006.

PRINCIPAL ACTIVITY AND RESULTS

The principal activity of the company is installation, sales of data communication, equipment and cabling. Supply and sales of security CCTV and intruder alarm systems The Director is satisfied with the company's results. He is optimistic that in future trading will improve and the company will continue to make profits.

The company paid a dividend of £ 15,000 during the year (2005 - £ 15,000)

DIRECTOR AND HIS INTERESTS

The director of the company during the year and his interests in the ordinary shares of the company were:

	<u>2006</u>	<u>2005</u>
Mr. J.A. Dalhouse	2	2
	===	===

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent; and

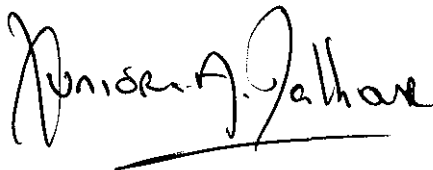
Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping proper 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. He is 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.

This report is prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 8th Jan 2007 And signed on its behalf by:

MR. J.A. DALHOUSE
Director



<p style="text-align: center;"><u>AAD COMMUNICATIONS LIMITED</u> <u>PROFIT AND LOSS ACCOUNT</u> <u>FOR THE YEAR ENDED 31ST MAY 2006</u></p>

	<u>Notes</u>	<u>Year ended</u> <u>31.5.2006</u> £	<u>Year ended</u> <u>31.5.2005</u> £
<u>TURNOVER</u>	1	106,741	125,127
Cost of Sales		(53,265)	(64,892)
GROSS PROFIT		<u>53,476</u>	<u>60,235</u>
Interest received		22	-
Administrative expenses		(41,140)	(46,904)
PROFIT ON ORDINARY ACTIVITIES		<u>12,358</u>	<u>13,331</u>
BEFORE TAXATION	4	12,358	13,331
Taxation	5	(1,040)	(1,300)
Profit and Loss A/C b/fwd		9,153	12,122
Dividends		(15,000)	(15,000)
RETAINED PROFIT C/FWD		£ <u>5,471</u>	£ <u>9,153</u>

All recognized gains and losses are included in the profit and loss account.

All amounts relate to continuing activities.

The notes on pages 5 to 6 form part of these financial statements.

AAD COMMUNICATIONS LIMITED
BALANCE SHEET AS AT 31ST MAY 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	6	620	994
Intangible assets – Company Formation		<u>55</u>	<u>55</u>
		675	1,049
<u>CURRENT ASSETS</u>			
Cash at Bank and in Hand		6,590	12,828
Stocks - Director's valuation & W.I.P.	1	8,409	3,746
Trade Debtors and prepayments	7	<u>7,504</u>	<u>13,020</u>
		22,503	29,594
		=====	=====
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(17,705)	(21,488)
		=====	=====
NETT CURRENT ASSETS		4,798	8,106
		=====	=====
TOTAL ASSETS		£ 5,473	£ 9,155
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	9	2	2
Profit and loss account	10	<u>5,471</u>	<u>9,153</u>
		£ 5,473	£ 9,155
		=====	=====

The director has taken advantage of the exemption conferred by S.249A(1) not to have these accounts audited and confirm that no notice has been deposited under S.249B(2) of the Companies Act 1985. The director acknowledges his responsibilities for;

- (a) ensuring that the company keeps accounting records which comply with S.221 of the Companies Act 1985, and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company as at year ended 31st May 2006 and of its profit for the year then ended in accordance with the requirements of S.266, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 8th Jan 2007

Mr. J.A. Dalhouse
Director

James A. Dalhouse

The notes on pages 5 to 6 form an integral part of these financial statements

AAD COMMUNICATIONS LIMITED
BALANCE SHEET AT 31ST MAY 2006
Director's statement required by Section 249B (4)

In approving these financial statements as director of the company I hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 249B (2) requesting that an audit be conducted for the year ended 31st May 2006 and
- (c) that I acknowledge my responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 221, and
 - (2) preparing financial statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller entities.

The financial statements were approved by the Board on 8th Jan 2007 and signed on its behalf by:

MR. J.A. DALHOUSE
Director

Junior - J Dalhouse

The notes on pages 5 to 6 form an integral part of these financial statements

AAD COMMUNICATIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 2006

1. ACCOUNTING POLICIES

1.1 *Accounting convention*

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standards for Smaller Entities (effective March 2000).

1.2 *Turnover*

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3 *Tangible fixed assets and Depreciation*

Depreciation is provided at rates calculated to write off the cost, less residual values of each asset over its expected useful life as follows:-

Fixtures, Fittings & Equipment	25% Straight Line
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1.4 *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 except to the extent that the directors consider that a liability to taxation is unlikely to materialize.

1.5 *Going concern*

The company will need the continued support of its Director and Creditors to continue in business.

1.6 *Stocks*

The stocks have been valued by the Director at the lower of cost and net realizable value.

Work in Progress has been estimated at £ 2,000 at the year end.

2. GOING CONCERN

The accounts have been prepared on the going concern basis, on the assumption that the Directors, Creditors and Bankers will continue to give financial support for the foreseeable future.

3. EMPLOYEES

	<u>2006</u>	<u>2005</u>
	£	£
Staff costs consist of:		
Nett Salaries	6,697	6,640
Social security costs inc. employee's NIC	798	874
	<u>7,495</u>	<u>7,514</u>
	=====	=====

AAD COMMUNICATIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS – cont/.....
FOR THE YEAR ENDED 31ST MAY 2006

4. <u>PROFIT ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION</u>			
This is arrived at after charging:		<u>2006</u>	<u>2005</u>
Depreciation		£ 475	£ 448
Director's remuneration		7,200	7,200
		=====	=====
5. <u>TAXATION</u>			
U.K. Corporation Tax		£ 1,391	£ 1,300
		=====	=====
6. <u>TANGIBLE FIXED ASSETS</u>			
Cost -- 1 st June 2005		£ 1,792	£ 1,347
Additions		101	445
Depreciation		(1,273)	(798)
NET VALUE AT 31.5.06		620	994
		=====	=====
7. <u>DEBTORS</u>			
Trade and other debtors		£ 7,504	£ 13,020
		=====	=====
8. <u>CREDITORS: Amounts falling due within one year</u>			
Trade Creditors		£ 7,022	£ 7,744
Accountancy & Professional fees		3,689	2,750
V.A.T. liability		2,804	4,466
Corporation Tax		1,391	5,025
PAYE/NIC		36	42
Other Creditors - Utilities		1,000	1,000
Director's current A/C		404	461
Wages & Payroll		1,359	-
		£ 17,705	£ 21,488
		=====	=====
9. <u>SHARE CAPITAL</u>			
		<u>Authorised</u>	<u>Allotted, called up and fully paid</u>
		£	£
Ordinary shares of £ 1 each		1,000	2
		=====	=====
10. <u>RECONCILIATION IN MOVEMENT OF SHAREHOLDERS' FUNDS</u>			
		<u>2006</u>	<u>2005</u>
Share capital issued		2	2
Profit and loss account		5,471	9,153
Closing Shareholders' funds		£ 5,473	£ 9,155
		=====	=====

AAD COMMUNICATIONS LIMITED
COMPANY NO: 46953333
ACCOUNTANT'S REPORT TO THE DIRECTOR
YEAR ENDED 31ST MAY 2006

We report on the accounts for the year ended 31st May 2006 set out on pages 2 – 6. The accounts comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, and related notes.

This report is made solely to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

Respective responsibilities of directors and reporting accountants.

As described on page 4 the company's director is responsible for the preparation of the accounts showing a true and fair view and they consider that the company is exempt from an audit.

In order to assist you to fulfill your statutory responsibilities, you have instructed us, in a letter of engagement to compile the annual accounts based on the accounting records maintained by the company and the information and explanations supplied to us.

Basis of engagement

We have a professional duty to compile accounts which conform with generally accepted accounting principles. We planned our work on the basis that no report is required by statute of regulation for the year. Our work as the compilers of the annual accounts is not an audit of the accounts in accordance with auditing standards. Consequently, our work does not provide assurance that the accounting records or accounts are free from material misstatement, whether caused by fraud, other irregularities or error and, accordingly, no such assurance or opinion is given by us, whether implied or expressed.

Report

We report that, in accordance with your instructions and in order to assist you to fulfill your responsibilities, we have compiled, without carrying out an audit, the accounts from the accounting records of the company and from the information and explanations supplied to us.

Begg, Williamson & Co

BEGG, WILLIAMSON & CO. LTD.
Chartered Certified Accountants
and Reporting Accountants
24 Church Road
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LONDON SE19 2ET

Date ...*21/2/07*.....