

Crane Communications Limited

Abbreviated financial statements

Year ended 30 June 2001

Company registration number: NI 14794

REGISTERED

Crane Communications Limited

Abbreviated financial statements

Year ended 30 June 2001

(As modified by Articles 254 and 255 and Schedule 8 of
the Companies (Northern Ireland) Order 1986)

Crane Communications Limited

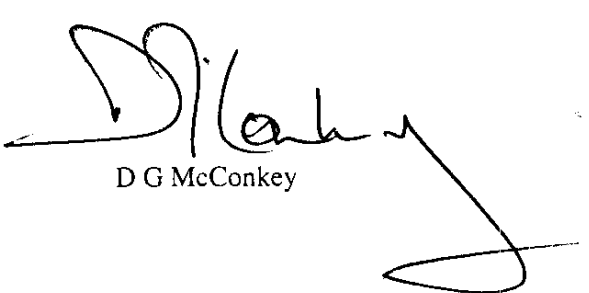
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give, in accordance with applicable Northern Ireland law and accounting standards 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 (Northern Ireland) Order 1986. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the board



D G McConkey

7 November 2002



Chartered Accountants

Stokes House
College Sq. East
Belfast BT1 6DH
Northern Ireland

**Independent auditors' report to the members of Crane Communications Limited
pursuant to Article 255B of the Companies (Northern Ireland) Order 1986**

We have examined the abbreviated accounts set out on pages 3 to 8 together with the financial statements of Crane Communications Limited prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the year ended 30 June 2001.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Article 254 of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Articles 254(5) and (6) of the Order to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254(5) and (6) of the Companies (Northern Ireland) Order 1986 and the abbreviated accounts are properly prepared in accordance with those provisions.

KPMG

KPMG
*Chartered Accountants
Registered Auditors*

7 November 2002



Crane Communications Limited

Abbreviated balance sheet At 30 June 2001

	Note	2001 £	2000 £
Fixed assets			
Tangible assets	2	16,656	47,519
Current assets			
Stocks		57,966	77,624
Debtors : due within one		407,586	203,521
: due in more than one year		930,621	802,858
Cash at bank and on hand		438	532
		<u>1,396,611</u>	<u>1,084,535</u>
Creditors: amounts falling due within one year	3	<u>(860,471)</u>	<u>(474,468)</u>
Net current assets		<u>536,140</u>	<u>610,067</u>
Net assets		<u>552,796</u>	<u>657,586</u>
Capital and reserves			
Called-up share capital	4	2	2
Profit and loss account		552,794	657,584
Equity shareholders' funds	5	<u>552,796</u>	<u>657,586</u>

"The directors have taken advantage of the exemptions conferred by Part VIII to The Companies (Northern Ireland) Order 1986 on the basis that the company qualifies as a small company."


D G McConkey
Director

The notes on pages 4 to 7 form part of these financial statements.

Crane Communications Limited

Notes

(forming part of the abbreviated financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

(a) **Basis of accounting**

The financial statements are prepared in accordance with the requirements of the Companies (Northern Ireland) Order 1986 under the historical cost accounting convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

(b) **Basis of preparation**

The directors have considered the current financial position and future trading position of the company and its parent undertaking, Hansa Enterprises Limited and have prepared projections for the next twelve months. Following this review the directors believe that the company has adequate resources to continue operations for the foreseeable future on the basis of current facilities provided by its bank. Accordingly, the accounts have been prepared on the going concern basis.

(c) **Accounting convention**

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

(d) **Cash flow statement**

The directors have availed of the exemption for small companies provided by Financial Reporting Standard No. 1 "Cash Flow Statements" and have not prepared a cash flow statement.

(e) **Depreciation**

Depreciation is calculated so as to write off the original cost less the estimated residual value of the assets over their expected useful lives at the following annual rates:

Plant and machinery	25% straight line
Furniture and fixtures	16% straight line
Leasehold improvements	10% straight line
Motor vehicles	25% straight line

(f) **Taxation**

Corporation tax is calculated on the profits of the year.

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

(g) **Hire purchase**

The effect of these transactions is taken into account over the period of each particular contract, interest being calculated using the sum of digits method. The capital element of the contract has been included in fixed assets.

Crane Communications Limited

Notes (continued)

1 Accounting policies (continued)

(h) Stocks

Stocks are valued by the directors at the lower of cost and net realisable value. Cost of raw materials is represented by invoice price. Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

(i) Operating leases

Expenditure on operating leases and rentals is charged to the profit and loss account as incurred.

2 Tangible fixed assets

	<i>Total</i> £
<i>Cost</i>	
At 1 July 2000	124,458
Additions	1,435
Disposals	(30,930)
	<hr/>
At 30 June 2001	94,963
	<hr/>
<i>Depreciation</i>	
At 1 July 2000	76,939
Charged during year	18,228
On disposals	(16,860)
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At 30 June 2001	78,307
	<hr/>
<i>Net book value</i>	
At 30 June 2001	16,656
	<hr/>
At 1 July 2000	47,519
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Included in the total net book value of motor vehicles is £3,400 (2000: £26,144) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £3,400 (2000: £9,035).

Crane Communications Limited

Notes (continued)

3 Creditors: amounts falling due within one year

	2001 £	2000 £
<i>Loans and other borrowings</i>		
Bank overdrafts	189,700	109,517
Invoice discounting balance	283,450	132,736
	<hr/>	<hr/>
	473,150	242,253
<i>Other creditors</i>		
Trade creditors	302,575	170,343
Sundry creditors and accruals	30,474	26,358
Corporation tax	-	13,584
Obligations under hire purchase contracts	5,513	17,003
Other creditors	48,759	4,927
	<hr/>	<hr/>
	860,471	474,468
	<hr/>	<hr/>

The invoice discounting balance represents discounting with recourse. Both the invoice discounting balance and the overdraft are secured by way of a fixed and floating charge over certain of the company's assets.

4 Share capital

	2001 £	2000 £
<i>Authorised</i>		
Ordinary shares of £1 each	50,000	50,000
	<hr/>	<hr/>
<i>Allotted, called-up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

5 Reconciliation of movement in shareholders' funds

	2001 £	2000 £
Opening shareholders' funds	657,586	601,271
(Loss)/profit for financial year	(104,790)	56,315
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Closing shareholders' funds	552,796	657,586
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Crane Communications Limited

Notes (continued) Stokes House
College Sq. East
Belfast BT1 6DH

6 Commitments

The company had no capital commitments at either year end. The company has the following annual non-cancellable operating lease commitments.

	Property £	Other £	Total £
Within one year	-	-	-
Between two and five years	25,000	54,847	89,847
	<u>25,000</u>	<u>54,847</u>	<u>89,847</u>

7 Transactions with related parties

The ultimate controlling party is deemed to be D G McConkey, a director, due to his controlling interest in Hansa Enterprises Limited, the parent undertaking and ultimate controlling party of this company.

During the year the company transacted with its parent undertaking, Hansa Enterprises Limited, in which the directors have a controlling interest. The company paid certain amounts on behalf of Hansa Enterprises Limited which has resulted in a debt due to the company.

	2001 £	2000 £
<i>Amounts due in more than one year</i>		
Current account - Hansa Enterprises Limited	930,621	802,858
	<u>930,621</u>	<u>802,858</u>

8 Ultimate parent undertaking

The company is a subsidiary undertaking of Hansa Enterprises Limited, a company incorporated in Northern Ireland. Hansa Enterprises Limited is exempt by virtue of Article 256 of the Companies (Northern Ireland) Order 1986 from the requirement to prepare group accounts.

9 Contingent liabilities

The net assets of the company have been given as a guarantee regarding the payment of certain amounts detailed in the purchase agreement of the company.

