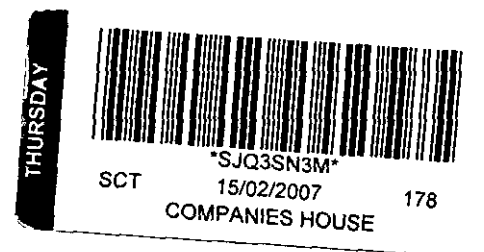


IMAGE SYSTEMS & TECHNOLOGY LIMITED
ABBREVIATED ACCOUNTS
FOR
31 JULY 2006



ANN G HANSEN & COMPANY

Chartered Accountants
3 South Road
Busby
Glasgow
G76 8JB

IMAGE SYSTEMS & TECHNOLOGY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2006

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IMAGE SYSTEMS & TECHNOLOGY LIMITED

ABBREVIATED BALANCE SHEET

31 JULY 2006

	Note	2006 £	2005 £
FIXED ASSETS	2		
Tangible assets		<u>22,842</u>	<u>26,641</u>
CURRENT ASSETS			
Stocks		3,143	3,055
Debtors		98,007	97,524
Cash at bank and in hand		<u>37,702</u>	<u>8,257</u>
		138,852	108,836
CREDITORS. Amounts falling due within one year		<u>89,022</u>	<u>73,646</u>
NET CURRENT ASSETS		<u>49,830</u>	<u>35,190</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>72,672</u>	<u>61,831</u>
PROVISIONS FOR LIABILITIES AND CHARGES		<u>1,599</u>	<u>1,666</u>
		<u>71,073</u>	<u>60,165</u>
CAPITAL AND RESERVES			
Called up equity share capital	3	100	100
Profit and loss account		<u>70,973</u>	<u>60,065</u>
SHAREHOLDERS' FUNDS		<u>71,073</u>	<u>60,165</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

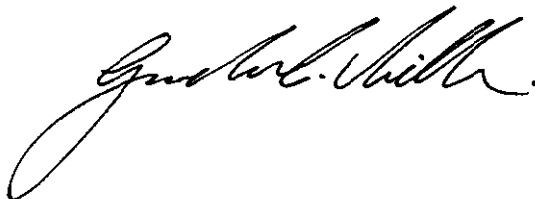
The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 or 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 financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 8 December 2006 and are signed on their behalf by

Mr G Miller
Director



The notes on pages 2 to 4 form part of these abbreviated accounts

IMAGE SYSTEMS & TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2006

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

Financial Reporting Standard for Smaller Entities (effective January 2005),

FRS 20 'Share based payment (IFRS 2)' (early adoption),

FRS 21 'Events after the Balance Sheet date (IAS 10)', and

FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

Financial Reporting Standard for Smaller Entities (effective January 2005)

FRS 20 'Share based payment (IFRS 2)'

FRS 21 'Events after the Balance Sheet date (IAS 10)'

FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)' and FRS 26 'Financial Instruments Measurement (IAS 39)'

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year exclusive of Value Added Tax

In respect of long term contracts and contracts for on going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on going services is recognised by reference to the stage of completion

IMAGE SYSTEMS & TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2006

1. ACCOUNTING POLICIES *(continued)*

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows

Motor Vehicles	25% Reducing Balance
Equipment	15% Reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

IMAGE SYSTEMS & TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2006

2 FIXED ASSETS

	Tangible Assets £
COST	
At 1 August 2005	40,317
Additions	<u>2,038</u>
At 31 July 2006	<u>42,355</u>
DEPRECIATION	
At 1 August 2005	13,676
Charge for year	<u>5,837</u>
At 31 July 2006	<u>19,513</u>
NET BOOK VALUE	
At 31 July 2006	<u>22,842</u>
At 31 July 2005	<u>26 641</u>

3 SHARE CAPITAL

Authorised share capital

	2006 £	2005 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

IMAGE SYSTEMS & TECHNOLOGY LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS OF IMAGE SYSTEMS & TECHNOLOGY LIMITED

YEAR ENDED 31 JULY 2006

As described on the balance sheet, the directors of the company are responsible for the preparation of the abbreviated accounts for the year ended 31 July 2006, set out on pages 1 to 4

You consider that the company is exempt from an audit under the Companies Act 1985

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

A handwritten signature in black ink, appearing to read 'Ann G Hansen & Co', is written over the printed name of the accountants.

ANN G HANSEN & COMPANY
Chartered Accountants

3 South Road
Busby
Glasgow
G76 8JB

8 December 2006