

CHILTERN TELECOM LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

REGISTRATION NO.4695708



CHILTERN TELECOM LIMITED
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

PAGE	1 - 2	Director's Report
	3	Profit and Loss Account
	4	Balance Sheet
	5 - 9	Notes to the Financial Statements
	10	Trading and Profit and Loss Account

CHILTERN TELECOM LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006

DIRECTOR: K Taylor

SECRETARY: L Taylor

REGISTERED OFFICE: 59 Union Street, Dunstable, Beds LU6 1EX

The director presents his report and financial statements for the year ended 31 March 2006.

RESULTS AND DIVIDENDS

The director proposes that the profit after taxation and dividends of £9206 (2005 profit £0) be transferred to reserves. The director recommends the payment of a dividend for the year ended 31 March 2006 amounting to £90000 (2005 : £95072).

REVIEW OF BUSINESS

The company's principal activity during the period was the installation of tele-communications equipment. The director considers the development of the business of the company and the state of affairs at the balance sheet date to be satisfactory.

FUTURE DEVELOPMENTS

The company intends to continue its present management policies for the foreseeable future.

FIXED ASSETS

Details of changes in fixed assets are given in note 7 to the financial statements.

DIRECTOR AND HIS INTERESTS

The director and his interests (including beneficial and family interests) in the ordinary shares of the company were as follows:-

	2006	2005
K Taylor	2	2

CHILTERN TELECOM LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006

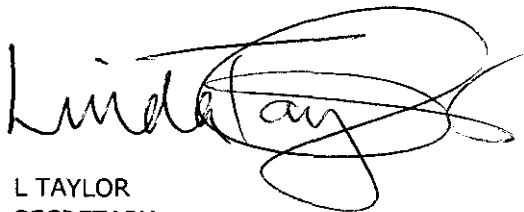
DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS:-

Company Law requires the director to prepare financial statements for each financial year which give 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 director is required to:-

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * comply with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; 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 accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him 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.

By Order of the Board

A handwritten signature in black ink, appearing to read 'L Taylor', with a large, stylized flourish extending from the end of the signature.

L TAYLOR
SECRETARY

CHILTERN TELECOM LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 MARCH 2006

	NOTE	2006 £	2005 £
Turnover	2	501187	361559
Cost of Sales		317194	179701
GROSS PROFIT		183993	181858
Administrative Expenses		63119	59475
OPERATING PROFIT	3	120874	122383
Interest Receivable		188	14
Interest Payable and Similar Charges	4	2112	1651
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		118950	120746
Taxation	6	19744	25674
PROFIT FOR THE YEAR		99206	95072
Dividends		90000	95072
PROFIT RETAINED FOR THE FINANCIAL YEAR		9206	-
Retained profit brought forward		-	-
Retained profit carried forward		£9206	£ -

There are no recognised gains or losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current or preceding period.

CHILTERN TELECOM LIMITED
BALANCE SHEET AT 31 MARCH 2006

		2006	2005
		£	£
	NOTES		
FIXED ASSETS			
Tangible Assets	7	21950	15584
CURRENT ASSETS			
Stock		1684	720
Debtors	8	53141	61147
Cash at Bank and in Hand		-	13280
		<u>54825</u>	<u>75147</u>
CREDITORS - Amounts Falling Due Within One Year	9	62693	86364
NET CURRENT LIABILITIES		<u>(7868)</u>	<u>(11217)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14082</u>	<u>4367</u>
CREDITORS - Amounts Falling Due After More Than One Year	11	4723	4227
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Tax	10	151	138
		<u>£9208</u>	<u>£ 2</u>
CAPITAL AND RESERVES		£	£
Called Up Share Capital	13	2	2
Profit and Loss Account		9206	-
SHAREHOLDERS' FUNDS	14	<u>£9208</u>	<u>£ 2</u>

AUDIT EXEMPTION STATEMENT

For the year ended 31 March 2006 the company was entitled to exemption from the requirement to have an audit under the provision of section 249A(1) of the Companies Act 1985; No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

The director acknowledges his responsibility for:

- (a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and
- (b) preparing statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit for that financial period in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as they are applicable to the company.

Approved by the board on 12-10-06 and signed on its behalf by

..... K TAYLOR

CHILTERN TELECOM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2006

1. STATEMENT OF ACCOUNTING POLICIES

(a) *Accounting Convention*

The financial statements have been prepared under the historical cost convention. The principal accounting policies which the directors have adopted within that convention are set out below.

(b) *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off cost or valuation, less estimated residual value of each asset over its expected useful life, as follows:-

Motor Vehicles	25% reducing balance
Office Equipment	25% reducing balance

(c) *Stocks*

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

(d) *Deferred Taxation*

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that tax will be payable.

(e) *Leasing and Hire Purchase Commitments*

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account on a straight line basis over the period of the lease. Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

2. TURNOVER

Turnover represents the invoiced amount of goods and services supplied by the company, stated net of value added tax.

The turnover, which all arises within the United Kingdom, and pre-tax result is attributable to one activity, that of the installation of tele-communications equipment.

3. OPERATING PROFIT

	2006 £	2005 £
This is stated after charging:		
Depreciation of owned assets	1543	2445
Depreciation of assets held under finance leases and hire purchase contracts	5774	2748
	<u> </u>	<u> </u>

CHILTERN TELECOM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2006

4. INTEREST PAYABLE AND SIMILAR CHARGES	2006 £	2005 £
Bank Overdraft	950	400
Hire Purchase	1162	1251
	£2112	£1651

5. STAFF COSTS	£	£
Wages and salaries	69799	61088
Social security costs	4221	3864
	£74020	£64952

The average number of employees during the year was as follows:-

	Number	Number
Director	1	1
Production and Sales	10	11
	11	12

6. TAXATION	£	£
Corporation Tax @ 19% (2005 : 19%)	22748	22937
(Over)/Underprovision in Previous Year	(3017)	3017
Movement in Deferred Tax (see note 10)	13	(280)
	£19744	£25674

CHILTERN TELECOM LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

7. TANGIBLE FIXED ASSETS

	MOTOR VEHICLES £	OFFICE EQUIPMENT £	TOTAL £
Cost			
At 1 April 2005	22159	4783	26942
Additions	10763	2920	13683
Disposals	-	-	-
At 31 March 2006	<u>32922</u>	<u>7703</u>	<u>40625</u>
Depreciation			
At 1 April 2005	9694	1664	11358
Charge for the year	5807	1510	7317
Disposals	-	-	-
At 31 March 2006	<u>15501</u>	<u>3174</u>	<u>18675</u>
Net Book Values			
At 31 March 2006	<u>£17421</u>	<u>£4529</u>	<u>£21950</u>
At 31 March 2005	<u>£12465</u>	<u>£3119</u>	<u>£15584</u>
8. DEBTORS		2006 £	2005 £
Trade debtors		47269	58292
Other debtors		5872	2855
		<u>£53141</u>	<u>£61147</u>
9. CREDITORS - Amounts Falling Due Within One Year		£	£
Bank Overdraft		10394	-
Trade Creditors		5458	36509
Director's current account		1073	(13150)
Current corporation tax		22748	22937
Corporation tax - previous year		5000	15917
Other taxes and social security costs		9394	17513
Accruals		1250	1250
Obligations under hire purchase agreements and finance leases		7376	5388
		<u>£62693</u>	<u>£86364</u>

CHILTERN TELECOM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2006

10. PROVISIONS FOR LIABILITIES AND CHARGES

The movements in deferred taxation during the current period are as follows:-

	2006 £	2005 £
At 1 April 2005	151	138
Charge/(Credit) for Year	13	(280)
At 31 March 2006	<u>£151</u>	<u>£138</u>

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

	Provided		Not Provided	
	2006 £	2005 £	2006 £	2005 £
Capital allowances in advance of depreciation	<u>£151</u>	<u>£138</u>	<u>£ -</u>	<u>£ -</u>

11. CREDITORS - Amounts Falling Due After More Than One Year

	2006 £	2005 £
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Obligations under hire purchase agreements and finance leases	<u>£4723</u>	<u>£4227</u>
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12. OBLIGATIONS UNDER HIRE PURCHASE AND FINANCE LEASES

	2006 £	2005 £
Amount Payable:		
Within one year	8885	6483
In the second to fifth years inclusive	5643	5123
	14528	11606
Less: Finance charges allocated to future periods	(2429)	(1991)
	£12099	£9615
Analysed as follows:	£	£
Current obligations	7376	5388
Non-current obligations	4723	4227
	<u>£12099</u>	<u>£9615</u>

CHILTERN TELECOM LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2006

13. SHARE CAPITAL	Authorised		Allotted, called up and fully paid	
	2006 No	2005 No	2006 £	2005 £
Ordinary shares of £1 each	100	100	£ 2	£ 2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUND			2006	2005
			£	£
At 1 April 2005			2	2
Share Capital Issued			-	-
Profit for the Year			99206	95072
Dividends			(90000)	(95072)
			<u> </u>	<u> </u>
At 31 March 2006			£9208	£ 2
			<u> </u>	<u> </u>