

VICTORIA TELECOM LIMITED

ABBREVIATED FINANCIAL STATEMENTS
For the year ended 31st January 1997
(Company no 02676756)



REPORT OF THE AUDITORS

TO THE DIRECTORS OF

VICTORIA TELECOM LIMITED

(PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO
THE COMPANIES ACT 1985, AS AMENDED)

for the year ended 31st January 1997

We have examined the abbreviated statutory accounts set out on pages I to II, together with the full statutory financial statements of the company. The scope of our work for the purpose of this report was limited to confirming the opinion set out in the following paragraph.

In our opinion, the directors are entitled under sections 246 and 247 of the Companies Act 1985, to the exemptions conferred in section A part III of section 8 to the Act in respect of the year ended 31st January 1997 and the abbreviated financial statements have been properly prepared in accordance with that schedule.

On 14th November 1997 we reported to the members on the full statutory financial statements of the company prepared under section 246 of the Companies Act 1985 for the year ended 31st January 1997. Our report under section 235 of the Companies Act 1985 was as follows:

"We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts of disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st January 1997 and of its results the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."

Sterling & Co

Sterling & Co
Chartered Accountants
Registered Auditor
Date: 14th November 1997

ABBREVIATED BALANCE SHEET

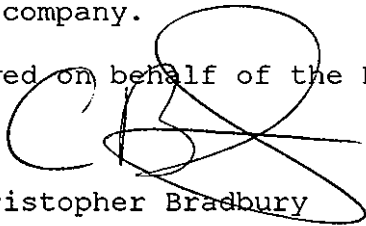
As at 31st January 1997

	Note	£	1997 £	1996 £
FIXED ASSETS				
Tangible assets	2		115,003	62,201
CURRENT ASSETS				
Trade debtors		119,814		224,360
VAT recoverable		17,406		7,676
Cash at bank & in hand		128,105		152,246
Prepayments		25,400		-
		-----		-----
		290,725		384,282
		=====		=====
CREDITORS-Amounts falling due within one year				
		399,631		328,085
		=====		=====
NET CURRENT (LIABILITIES)/ASSETS		(108,906)		56,197
		-----		-----
TOTAL ASSETS		6,097		118,398
		=====		=====
CAPITAL AND RESERVES				
Called up share capital	3	12,000		12,000
Profit and loss account		(5,903)		106,398
		-----		-----
		6,097		118,398
		=====		=====

The notes on page II form part of these financial statements.

We have relied upon the exemptions for individual financial statements available under Sections 247 to 249 of the Companies Act 1985 and have done so on the basis that the company is entitled to the benefit of those exemptions as a small company.

Approved on behalf of the Board Of Directors


Mr Christopher Bradbury

Director

Date: 14th November 1997

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

For the year ended 31st January 1997

1 ACCOUNTING POLICIES

a Accounting Convention

The accounts have been prepared under the historical cost convention.

b Depreciation

This is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following rates per annum.

Computer & Equipment - 20% straight line

Depreciation is charged in full for the year in which the asset is purchased.

2 FIXED ASSETS

	Computers & Equipment £
Cost:	
As at 1st February 1996	89,496
Additions	88,376

	177,872
	=====
Depreciation:	
As at 1st February 1996	27,295
Charge for the year	35,574

As at 31st January 1997	62,869
	=====
Net Book Value	
As at 31st January 1997	115,003
	=====
As at 31st January 1996	62,201
	=====

3. CALLED UP SHARE CAPITAL

	1997 £	1996 £
Allotted and fully paid Ordinary shares of £1 each	12,000	12,000
	=====	=====
Authorised Share Capital	100,000	100,000
	=====	=====