

**Registration number 2231837 (England & Wales)**

**Ram Peripherals Limited**

**Director's report and financial statements**

**for the year ended 31st December 2005**



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COMPANIES HOUSE 05/10/2006

## **Ram Peripherals Limited**

### **Company information**

Director	Ramalingam Gnanasekaran, Esq.
Secretary	Delojana Gnanasekaran (Mrs)
Company number	2231837 (England & Wales)
Registered office	14 Lombard Road Merton London SW19 3TZ
Auditors	Riordan O'Sullivan & Co Chartered Certified Accountants Registered Auditors 40 Chamberlayne Road London NW10 3JE
Business address	14 Lombard Road, Merton London SW19 3TZ
Bankers	Allied Irish Bank (GB) 201 - 203 The Broadway Wimbledon London SW19 1FF
Solicitors	Armstrong & Co 2 Dartmouth Road Forest Hill London SE23 3XU

## **Ram Peripherals Limited**

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**Ram Peripherals Limited**  
**Director's report**  
**for the year ended 31st December 2005**

The director presents his report and the financial statements for the year ended 31st December 2005.

**Principal activity**

The principal activity of the company continues to be that of marketing of computer peripherals.

**Results and dividends**

The results for the year are set out on page 5.

An interim dividend amounting to £500,000 was voted and paid during the year. The board does not recommend payment of a final dividend.

**Director and his interest**

The director who served during the year and his interest in the company are as stated below:

	<b>Class of share</b>	<b>31/12/05</b>	<b>01/01/05</b>
Ramalingam Gnanasekaran, Esq.	Ordinary shares	-	-

**Charitable and political contributions**

During the year the company contributed £4,100 to charities.

**Director's responsibilities**

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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.

The director of company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

In so far as the director is aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Ram Peripherals Limited**

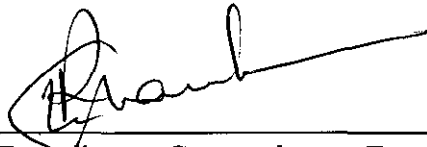
**Director's report  
for the year ended 31st December 2005**

..... continued

**Auditors**

The auditors, Riordan O'Sullivan & Co are deemed to be re-appointed in accordance with Section 386(1) of the Companies Act 1985 by virtue of an elective resolution passed by the members on 12th May 2003.

This report was approved by the Board on 29th September 2006 and signed on its behalf by:



**Director**

**Ramalingam Gnanasekaran, Esq.**

## **Ram Peripherals Limited**

### **Independent auditors' report to the shareholders of Ram Peripherals Limited**

We have audited the financial statements of Ram Peripherals Limited for the year ended 31st December 2005 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of director and auditors**

As described in the statement of director's responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if we become aware of any apparent misstatements within it, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director 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 explanations 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.

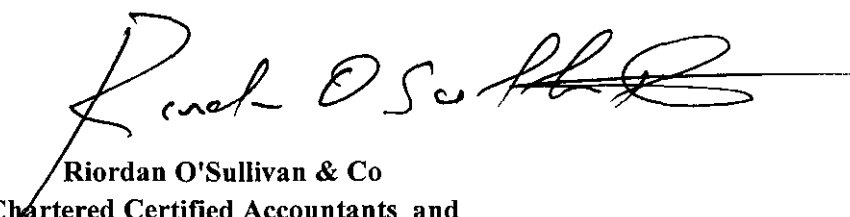
**Ram Peripherals Limited**

**Independent auditors' report to the shareholders of Ram Peripherals Limited**

..... continued

**Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2005 and of its profit and cash flows and cashflows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Riordan O'Sullivan & Co**  
**Chartered Certified Accountants and**  
**Registered Auditors**  
**40 Chamberlayne Road**  
**London**  
**NW10 3JE**

**Date: 29th September 2006**

# Ram Peripherals Limited

## Profit and loss account for the year ended 31st December 2005

		Continuing operations	
		2005	2004
	Notes	£	£
<b>Turnover</b>	<b>2</b>	3,193,778	3,966,129
Cost of sales		(2,412,545)	(2,706,188)
<b>Gross profit</b>		781,233	1,259,941
Administrative expenses		(659,295)	(655,300)
Other operating income		35,803	5,661
<b>Operating profit</b>	<b>3</b>	157,741	610,302
Interest receivable		49,812	28,854
Interest payable	<b>4</b>	(2,413)	(4,038)
<b>Profit on ordinary activities before taxation</b>		205,140	635,118
Tax on profit on ordinary activities	<b>6</b>	(55,110)	(206,158)
<b>Profit on ordinary activities after taxation</b>	<b>16</b>	150,030	428,960

There are no recognised gains or losses other than the profit for the above two financial years.

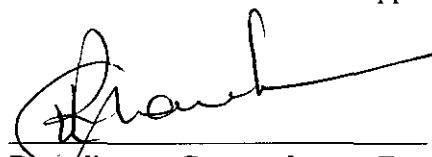
The notes on pages 8 to 16 form an integral part of these financial statements.

# Ram Peripherals Limited

## Balance sheet as at 31st December 2005

		2005		2004	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		369,923		397,093
Investments	8		140		140
			<u>370,063</u>		<u>397,233</u>
<b>Current assets</b>					
Stocks	9	37,858		41,488	
Debtors	10	1,273,789		723,981	
Cash at bank and in hand		589,404		1,336,755	
		<u>1,901,051</u>		<u>2,102,224</u>	
<b>Creditors: amounts falling due within one year</b>	11	(1,574,084)		(1,252,345)	
<b>Net current assets</b>			<u>326,967</u>		<u>849,879</u>
<b>Total assets less current liabilities</b>			697,030		1,247,112
<b>Creditors: amounts falling due after more than one year</b>	12		(2,347)		(27,847)
<b>Provisions for liabilities and charges</b>	13		(232,446)		(407,058)
<b>Net assets</b>			<u>462,237</u>		<u>812,207</u>
<b>Capital and reserves</b>					
Called up share capital	14		100		100
Profit and loss account	15		462,137		812,107
<b>Shareholders' funds</b>	16		<u>462,237</u>		<u>812,207</u>

The financial statements were approved by the Board on 29th September 2006 and signed on its behalf by:



**Ramalingam Gnanasekaran, Esq.**  
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

# Ram Peripherals Limited

## Cash flow statement for the year ended 31st December 2005

	Notes	2005 £	2004 £
<b>Reconciliation of operating profit to net cash (outflow)/inflow from operating activities</b>			
Operating profit		157,741	610,302
Depreciation		51,462	61,131
Loss on disposal of assets		8,412	10,797
Decrease/(increase) in stocks		3,630	(9,753)
Increase in debtors		(549,808)	(140,143)
Increase in creditors		495,706	249,671
(Decrease)/increase in provisions		(174,612)	45,158
<b>Net cash (outflow)/inflow from operating activities</b>		<u>(7,469)</u>	<u>827,162</u>
<b>Cash flow statement</b>			
Net cash (outflow)/inflow from operating activities		(7,469)	827,162
Returns on investments and servicing of finance	19	47,399	24,816
Taxation	19	(206,158)	(145,391)
Capital expenditure	19	(32,704)	(119,929)
		(198,932)	586,658
Equity dividends paid		(500,000)	(300,000)
		(698,932)	286,658
Financing	19	(40,500)	(38,977)
<b>(Decrease)/increase in cash in the year</b>		<u>(739,432)</u>	<u>247,681</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>(Decrease)/increase in cash in the year</b>		(739,432)	247,681
Cash outflow from increase in debts and lease financing		40,500	38,977
Change in net debt resulting from cash flows		(698,932)	286,658
Capital element of finance leases and hire purchase contracts		-	(61,500)
<b>Movement in net debt in the year</b>	20	(698,932)	225,158
<b>Opening net funds</b>	20	1,265,489	1,040,331
<b>Closing net funds</b>	20	<u>566,557</u>	<u>1,265,489</u>

## **Ram Peripherals Limited**

### **Notes to the financial statements for the year ended 31st December 2005**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

##### **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 value of each asset over its expected useful life, as follows:

Land and buildings	-	No depreciation
Plant and machinery	-	25% Reducing balance
Fixtures, fittings and equipment	-	20% Reducing balance
Motor vehicles	-	25% Reducing balance

##### **1.4. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

##### **1.5. Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value.

##### **1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.7. Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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. In accordance with FRS19, deferred tax is not recognised on revaluation gains. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### **1.8. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

### 1.9. Provision for liabilities and charges

Provision is made for potential liabilities arising from product guarantees on the I.T. hardware sales at a rate of 25% of the sales value during the guarantee period (one year).

### 1.10. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

### 3. Operating profit

	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible fixed assets	51,462	61,131
Loss on disposal of tangible fixed assets	8,412	10,797
Auditors' remuneration	9,000	6,500
	<u>68,874</u>	<u>78,428</u>
and after crediting/(debiting)		
Net foreign exchange (loss)/gain	(48,072)	3,733
Management charges receivable	28,865	-
	<u>20,803</u>	<u>3,733</u>

### 4. Interest payable

	2005	2004
	£	£
Hire purchase interest	2,080	3,890
On overdue tax	333	148
	<u>2,413</u>	<u>4,038</u>

### 5. Director's emoluments

	2005	2004
	£	£
Remuneration and other benefits	<u>92,024</u>	<u>90,000</u>

**Ram Peripherals Limited**

**Notes to the financial statements  
for the year ended 31st December 2005**

..... continued

**6. Tax on profit on ordinary activities**

<b>Analysis of charge in the year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax	55,110	206,158

**Factors affecting tax charge for the year**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	205,140	635,118
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2004 : 30%)	61,542	190,535
Expenses not deductible for tax purposes	3,937	10,976
Capital allowances for period in excess of depreciation	(8,699)	4,647
Marginal relief	(1,670)	-
Current tax charge for the year	55,110	206,158

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

7. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1st January 2005	198,334	83,172	99,072	249,363	629,941
Additions	9,531	40,798	2,875	-	53,204
Disposals	-	-	-	(54,826)	(54,826)
At 31st December 2005	207,865	123,970	101,947	194,537	628,319
<b>Depreciation</b>					
At 1st January 2005	-	56,453	59,466	116,929	232,848
On disposals	-	-	-	(25,914)	(25,914)
Charge for the year	-	16,879	7,258	27,325	51,462
At 31st December 2005	-	73,332	66,724	118,340	258,396
<b>Net book values</b>					
At 31st December 2005	207,865	50,638	35,223	76,197	369,923
At 31st December 2004	198,334	26,719	39,606	132,434	397,093

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2005		2004	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	29,618	9,873	99,332	33,112

8. Fixed asset investments	Subsidiary undertaking shares £
<b>Cost</b>	
At 1st January 2005 & 31st December 2005	140

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

### 8.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company Subsidiary undertaking	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Ram Technologies Limited	Republic of Ireland	Supplying computer peripherals	Ordinary	100%

The aggregate amount of capital and reserves and the results of this undertaking for the last relevant financial year was as follows:

	Capital and reserve £	Profit for the year £
Ram Technologies Limited	753,022	263,567

### 9. Stock

	2005 £	2004 £
Finished goods and goods for resale	37,858	41,488

### 10. Debtors

	2005 £	2004 £
Trade debtors	369,571	535,574
Amount owed by group undertaking	780,100	-
Amount owed by related undertaking	89,962	124,687
Other debtors	16,802	56,345
Prepayments	17,354	7,375
	1,273,789	723,981

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

<b>11. Creditors: amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	7,919
Net obligations under finance leases and hire purchase contracts	20,500	35,500
Trade creditors	85,159	649,250
Amount owed to group undertaking	262,118	66,667
Amount owed to related undertakings	928,029	-
Corporation tax	55,110	206,158
Other taxes and social security costs	99,052	121,699
Director's accounts	4,434	5,919
Other creditors	32,280	32,667
Accruals and deferred income	87,402	126,566
	<u>1,574,084</u>	<u>1,252,345</u>
<b>12. Creditors: amounts falling due after more than one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<u>2,347</u>	<u>27,847</u>
<b>13. Provisions for liabilities and charges (Note 1.9)</b>		<b>£</b>
At 1st January 2005		407,058
Movement in the year		(174,612)
At 31st December 2005		<u>232,446</u>
<b>14. Share capital</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Authorised equity</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid equity</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

15. Equity Reserves	Profit and loss account £	
At 1st January 2005	812,107	
Profit for the year	150,030	
Dividends paid	(500,000)	
At 31st December 2005	462,137	

16. Reconciliation of movements in shareholders' funds	2005 £	2004 £
Profit for the year	150,030	428,960
Dividends paid	(500,000)	(300,000)
	(349,970)	128,960
Opening shareholders' funds	812,207	683,247
Closing shareholders' funds	462,237	812,207

17. Ultimate parent undertaking
The company is a 100% subsidiary of Ram Estate Holdings Limited which is incorporated in and resident of the United Kingdom. Mr. Ramalingam Gnanasekaran, by virtue of his beneficial ownership of the entire issued share capital of Ram Estate Holdings Limited is the ultimate controller.

18. Post balance sheet events
Since the year end the company has entered into the following material transactions:
(i) it has made a loan of £300,000 to Lings Software Services Limited, a UK registered company controlled by Ramalingam Gnanasekaran, Esq.
(ii) it has sold its freehold land and buildings at 14 Lombard Road to its parent company, Ram Estate Holdings Limited at the current market value of £650,000.

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

### 19. Gross cash flows

	2005	2004
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	49,812	28,854
Interest paid	(2,413)	(4,038)
	<u>47,399</u>	<u>24,816</u>
<b>Taxation</b>		
Corporation tax paid	<u>(206,158)</u>	<u>(145,391)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(53,204)	(125,929)
Receipts from sales of tangible assets	20,500	6,000
	<u>(32,704)</u>	<u>(119,929)</u>
<b>Financing</b>		
Capital element of finance leases and hire purchase contracts	<u>(40,500)</u>	<u>(38,977)</u>

### 20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	1,336,755	(747,351)	589,404
Overdrafts	(7,919)	7,919	-
	<u>1,328,836</u>	<u>(739,432)</u>	<u>589,404</u>
Finance leases and hire purchase contracts	(63,347)	40,500	(22,847)
<b>Net funds</b>	<u>1,265,489</u>	<u>(698,932)</u>	<u>566,557</u>

# Ram Peripherals Limited

## Notes to the financial statements for the year ended 31st December 2005

..... continued

### 21. Related party transactions

During the year transactions with group and related undertakings and year end balances were as follow:

Company	Transactions	Amount £	Balance at 31/12/05 £
<b>a) Group Undertakings</b>			
Ram Estate Holdings Limited			780,100
Ram Technologies Limited			(262,118)
			<u>517,982</u>
<b>b) Related Undertakings</b>			
Ram France SAS	Sales and Purchases	115,506	(431)
Ling Software Services Limited	Service charges	59,565	89,962
Lings Technologies Limited	Purchases	1,912,350	(927,598)
			<u>838,067</u>