

**CRYSTALATE HOLDINGS  
LIMITED**

Company number 608030

**DIRECTORS' REPORT AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 1995**



# **CRYSTALATE HOLDINGS LIMITED**

## **REPORT OF THE DIRECTORS**

---

The directors present their annual report and the audited financial statements for the year ended 31 December 1995.

### **Results and dividends**

The profit for the year after taxation was £5,108,963 (1994 £4,602,823).

Dividends amounting to £5,100,000 representing 16.1p per ordinary share have been declared and paid in the year leaving £8,963 of profit retained in the business.

### **Activities and review of business**

The company is a holding company whose principal subsidiary companies are mainly engaged in the manufacture of electronic products.

The results for the year are shown in the profit and loss account on page 3.

### **Directors**

The directors of the company during the year were as follows:

Mr J W Newman  
Mr N D Shipp  
Mr S W A Comonte  
Mr M R Eke

In accordance with the Articles of Association, Messrs N D Shipp and J W Newman retire by rotation and being eligible offers themselves for re-election.

None of the directors had any interest in the shares of the company.

The beneficial interests of each director in the shares of the ultimate parent undertaking, TT Group PLC, are disclosed in that company's financial statements since they are also directors of that company.

### **Statements of directors' responsibilities for preparing the financial statements**

The directors are required by UK company law to prepare financial statements for each financial year 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 the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31 December 1995. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

**CRYSTALATE HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS (CONTINUED)**

---

**Auditors**

Grant Thornton have expressed their willingness to continue in office and, in accordance with Section 385 of the Companies Act 1985, a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

**BY ORDER OF THE BOARD**



M G Leigh  
Secretary

14 March 1996

Registered office:

Clive House  
12-18 Queens Road  
Weybridge  
Surrey  
KT13 9XB

**CRYSTALATE HOLDINGS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 1995**

---

	Note	1995 £	1994 £
Operating profit	1	128,381	47,411
Dividend received		5,132,000	5,375,000
Interest	2	<u>12,864</u>	<u>116,175</u>
<b>Profit on ordinary activities before taxation</b>		<b>5,273,245</b>	<b>5,538,586</b>
Taxation	3	<u>(164,282)</u>	<u>(935,763)</u>
<b>Profit on ordinary activities after taxation</b>		<b>5,108,963</b>	<b>4,602,823</b>
Dividends			
Interim of 16.1p per ordinary share (1994 15.8p)		<u>(5,100,000)</u>	<u>(5,000,000)</u>
<b>Retained profit/(loss) for the year</b>	11	<u><b>8,963</b></u>	<u><b>(397,177)</b></u>

The above results all arise from continuing activities.

The company has no recognised gains or losses other than the profit on ordinary activities above and therefore no separate statement of total recognised gains and losses has been presented.

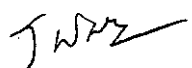
## CRYSTALATE HOLDINGS LIMITED

BALANCE SHEET AT 31 DECEMBER 1995

	Note	1995 £	1994 £
<b>Fixed assets</b>			
Investments	4	11,598,465	11,598,465
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	3,755,621	3,148,142
amounts falling due after more than one year	5	21,911,367	22,027,241
Investments	6	1,305	470
Cash at bank and in hand		435,566	846,202
		<u>26,103,859</u>	<u>26,022,055</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>3,622,585</u>	<u>3,455,192</u>
<b>Net current assets</b>		<u>22,481,274</u>	<u>22,566,863</u>
<b>Total assets less current liabilities</b>		<u>34,079,739</u>	<u>34,165,328</u>
<b>Creditors: amounts falling due after more than one year</b>			
Convertible loan stock	8	9,352,276	9,352,276
Other		-	95,000
		<u>9,352,276</u>	<u>9,447,276</u>
<b>Provisions for liabilities and charges</b>	9	<u>349,602</u>	<u>349,154</u>
		9,701,878	9,796,430
<b>Capital and reserves</b>			
Called up share capital	10	1,654,943	1,654,943
Share premium account	11	22,646,967	22,646,967
Profit and loss account	11	<u>75,951</u>	<u>66,988</u>
<b>Shareholders' funds</b>	12	<u>24,377,861</u>	<u>24,368,898</u>
		<u>34,079,739</u>	<u>34,165,328</u>

The financial statements were approved by the Board of Directors on 14 March 1996.

J W Newman



Directors

M R Eke



## **CRYSTALATE HOLDINGS LIMITED**

### **ACCOUNTING POLICIES**

---

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

The company is a wholly owned subsidiary of TT Group PLC and the cash flows of the company are included in the consolidated group cash flow statement of TT Group PLC. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

#### **Consolidated financial statements**

The company has taken advantage of the exemption permitted by Section 228 of the Companies Act 1985 and not produced consolidated financial statements as it is itself a wholly owned subsidiary.

#### **Deferred taxation**

Deferred taxation is the taxation attributable to timing differences between results computed for taxation purposes and the results as stated in the financial statements. Provision for deferred taxation is made where it is probable that a liability will crystallise at the rates estimated to be effective in the future.

#### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions during the year are translated at the rates ruling at the time of the transactions. Exchange differences which arise from normal trading activities are dealt with through the profit and loss account.

#### **Investments**

Investments are included at cost.

#### **Pension costs**

The company operates a defined benefit scheme.

The pension costs charged against profits are based on an actuarial method and actuarial assumptions designed to provide the anticipated pension costs over the service lives of the employees in the scheme, in a way which seeks to ensure that the regular pension costs represents a substantially level percentage of the current and expected future pensionable payroll in the light of current actuarial assumptions. Variations from regular cost are spread over the remaining service lives of current employees in the scheme.

# CRYSTALATE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1995

### 1 Operating profit

Operating profit is stated after crediting:

	1995 £	1994 £
Group pension scheme surplus released	<u>939,798</u>	<u>515,586</u>

### 2 Interest

	1995 £	1994 £
Interest payable:		
On borrowings wholly repayable within five years	11,113	19,290
Interest receivable:		
Other interest receivable	<u>(23,977)</u>	<u>(135,465)</u>
	<u>(12,864)</u>	<u>(116,175)</u>

### 3 Taxation

	1995 £	1994 £
UK corporation tax charge at 33% (1994 33%) on the taxable profit for the year	163,834	143,408
Tax attributable to franked investment income	-	625,000
Deferred taxation (note 9)	<u>448</u>	<u>167,355</u>
	<u>164,282</u>	<u>935,763</u>

### 4 Fixed asset investments

Shares in  
subsidiary  
undertakings  
£

At 31 December 1994 and 31 December 1995

11,598,465

The subsidiary undertakings both of which are wholly-owned directly by the company are:

	Country of incorporation	Country of operation	Activity
Crystalate Services Limited	England and Wales	England	Dormant
Crystalate Electronics Limited	England and Wales	Italy	Electronics industry

**CRYSTALATE HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 1995**

**5 Debtors**

	1995 £	1994 £
Amounts falling due within one year:		
Amounts owed by parent and fellow subsidiary undertakings	3,454,896	2,725,643
Other debtors	-	3,619
Pension prepayment	148,035	30,802
Prepayments	152,690	388,078
	<u>3,755,621</u>	<u>3,148,142</u>
Amounts falling due after one year:		
Amounts owed by parent and fellow subsidiary undertakings	21,000,000	21,000,000
Pension prepayment	911,367	1,027,241
	<u>21,911,367</u>	<u>22,027,241</u>
	<u>25,666,988</u>	<u>25,175,383</u>

**6 Current asset investments**

	1995 £	1994 £
Overseas listed investment	<u>1,305</u>	<u>470</u>

**7 Creditors: amounts falling due within one year**

	1995 £	1994 £
Unsecured loans	95,000	95,000
Amounts owed to parent and fellow subsidiary undertakings	14,485	-
Corporation tax	307,242	143,408
Other creditors including taxation and social security	17,158	14,244
Accruals	3,188,700	3,202,540
	<u>3,622,585</u>	<u>3,455,192</u>

**8 Convertible loan stock**

	1995 £	1994 £
Not wholly repayable in five years:		
8¼% convertible unsecured loan stock 2003	<u>9,352,276</u>	<u>9,352,276</u>



# CRYSTALATE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 1995

### 9 Provisions for liabilities and charges

	£
Deferred taxation (note 13)	
At 1 January 1995	349,154
Profit and loss account	448
At 31 December 1995	<u>349,602</u>

### 10 Called up share capital

	1995 £	Authorised 1994 £	Allotted and fully paid 1995 £	1994 £
Ordinary shares of 5p each	2,200,000	2,200,000	1,579,943	1,579,943
5.6% cumulative preference shares of 50p each	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>
	<u>2,275,000</u>	<u>2,275,000</u>	<u>1,654,943</u>	<u>1,654,943</u>

The 8¼% convertible unsecured loan stock 2003 may be converted into ordinary shares at the rate of one ordinary share for every 180p of stock in the month of February until 2003. If the whole of the stock were to be converted, an additional 5,195,709 ordinary shares would be issued.

### 11 Reserves

	Share premium account £	Profit and loss account £
At 1 January 1995	22,646,967	66,988
Retained profit for the year	-	8,963
At 31 December 1995	<u>22,646,967</u>	<u>75,951</u>

### 12 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit for the year	5,108,963	4,602,823
Dividends	<u>(5,100,000)</u>	<u>(5,000,000)</u>
Net increase/(decrease) in shareholders' funds	8,963	(397,177)
Shareholders' funds at 1 January 1995	24,368,898	24,766,075
Shareholders' funds at 31 December 1995	<u>24,377,861</u>	<u>24,368,898</u>

# CRYSTALATE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 1995

### 13 Contingent liabilities

#### Deferred taxation

Deferred taxation provided in the financial statements and the total potential liability is set out below:

	Amount provided		Total potential liability	
	1995	1994	1995	1994
	£	£	£	£
Short term timing differences	<u>349,602</u>	<u>349,154</u>	<u>349,602</u>	<u>349,154</u>

### 14 Guarantees and financial commitments

There is a cross guarantee between certain companies in the group on all overdrafts with the bank. At 31 December 1995 the amount thus guaranteed by the company was £nil (1994 £nil).

### 15 Pension schemes

The company operates defined benefit schemes for both its own employees and employees of certain subsidiary companies. The schemes are set up under trust and their assets are therefore independent of those of the company.

Pension costs are based on the advice of a qualified actuary and are taken to the profit and loss account over the average working lives of the members. The last actuarial valuations of the schemes were in April and June 1994 at which time, using the projected unit cost method, the assets of the scheme represented from 115% to 124% of the benefits accrued to the members. The principal assumptions used by the actuary were that the investment returns would be 2% higher than the growth in annual salaries and that pensions in the course of payment would increase by up to 5% per annum.

Subsidiary companies are charged the Regular Cost attributable to those of their employees who are members of the schemes. The Regular Cost relating to the company of £7,671 (1994 £9,961) has been reduced by the impact of spreading the group surplus identified at the last review over the remaining working lives of all the members. This gives rise to a net credit to the profit and loss account of £932,127 (1994 £505,625).

The difference between the accumulated charge and payments made to the scheme is dealt with in debtors and creditors as appropriate.

### 16 Ultimate parent undertaking

The ultimate parent undertaking is TT Group PLC which is registered in England and Wales.

Copies of TT Group PLC financial statements can be obtained from the registered office at Clive House, 12-18 Queens Road, Weybridge, Surrey KT13 9XB.

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
CRYSTALATE HOLDINGS LIMITED**

We have audited the financial statements on pages 3 to 9 which have been prepared under the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

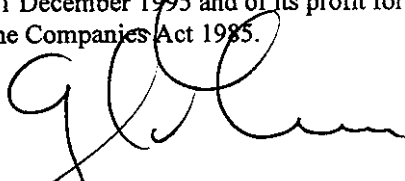
**Basis of opinion**

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 and 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
SHEFFIELD

14 March 1996