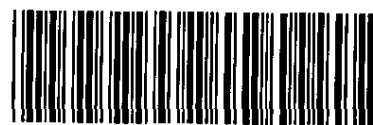


Financial Statements Crystalate Holdings Limited

For the year ended 31 December 2007

TUESDAY



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COMPANIES HOUSE

Company No. 608030

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2007

Principal activities and business review

The company is an intermediate holding company

Results and dividends

The profit for the year amounted to £2,552,000. Particulars of dividends paid are detailed in note 5 to the financial statements.

Directors

The directors who served the company during the year were as follows

J W Newman
R W Weaver
P Felbeck
W J Sharp
D P Matthews

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are interest rate risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The company finances its operations through a mixture of retained profits, inter-company accounts and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts and bank overdraft facilities.

Currency risk

The company is exposed to transaction and translation foreign exchange risk. In relation to translation risk the proportion of assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures are hedged when known, mainly using the forward hedge market.

Directors' responsibilities

The directors are responsible for preparing the Report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

REGISTERED OFFICE

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

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'W J Sharp', written over a horizontal line.

W J Sharp
Secretary
14 March 2008



Report of the independent auditor to the members of Crystalate Holdings Limited

We have audited the financial statements of Crystalate Holdings Limited for the year ended 31 December 2007 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Report of the directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 whether in our opinion the information given in the Report of the directors is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 directors' remuneration and other transactions is not disclosed.

We read the Report of the directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 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.

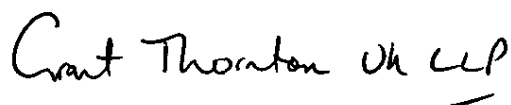
Report of the independent auditor to the members of Crystalate Holdings Limited (continued)

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the directors is consistent with the financial statements



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

SHEFFIELD
14 March 2008

Principal accounting policies

Accounting convention

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

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

Cash flow statement

The company is a wholly owned subsidiary of TT electronics plc and the cash flows of the company are included in the consolidated group cash flow statement of TT electronics plc. Consequently, the company is exempt under the terms of FRS 1 'Cash Flow Statements' from publishing a cash flow statement.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax on defined benefit pension scheme surpluses or deficits is adjusted against these surpluses. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using the rates of tax that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

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

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are included at cost less amounts written off.

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.

Profit and loss account

	Note	2007 £000	2006 £000
Turnover		—	—
Other operating charges	1	(45)	(360)
Operating loss		(45)	(360)
Income from shares in group undertakings		2,406	7,172
Interest receivable	3	189	110
Profit on ordinary activities before taxation		2,550	6,922
Tax on profit on ordinary activities	4	2	(47)
Profit for the financial year	14	2,552	6,875

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

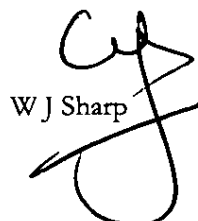
Balance sheet

	Note	2007 £000	2006 £000
Fixed assets			
Investments	6	15,208	15,208
Current assets			
Debtors	7	99	190
Investments	8	3	3
Cash at bank		4,384	3,757
		4,486	3,950
Creditors: amounts falling due within one year	9	(2,711)	(2,321)
Net current assets		1,775	1,629
Total assets less current liabilities		16,983	16,837
Capital and reserves			
Called-up equity share capital	13	1,915	1,915
Share premium account	14	9,092	9,092
Profit and loss account	14	5,976	5,830
Shareholders' funds	15	16,983	16,837

These financial statements were approved by the directors and authorised for issue on 14 March 2008, and are signed on their behalf by



R W Weaver


W J Sharp

Notes to the financial statements

1 Other operating charges

	2007 £000	2006 £000
Administrative expenses	<u>45</u>	<u>360</u>

2 Directors and employees

No salaries or wages have been paid to employees, including the directors, during the year

3 Interest receivable

	2007 £000	2006 £000
Interest from group undertakings	<u>189</u>	<u>110</u>

4 Taxation on ordinary activities

(a) Analysis of charge in the year

	2007 £000	2006 £000
Current tax		
UK Corporation tax based on the results for the year at 30% (2006 - 30%)	-	(77)
Adjustment in respect of prior periods	<u>(2)</u>	<u>115</u>
Total current tax	<u>(2)</u>	<u>38</u>
Deferred tax		
Origination and reversal of timing differences	<u>-</u>	<u>9</u>
Tax on profit on ordinary activities	<u>(2)</u>	<u>47</u>

4 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	2007 £000	2006 £000
Profit on ordinary activities before taxation	2,550	6,922
Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 30% (2006 - 30%)	765	2,077
Short term timing differences	(7)	(3)
Dividend income	(722)	(2,152)
Adjustment in respect of prior periods	(2)	115
Rounding on tax charge	-	1
Utilisation of losses brought forward	(36)	-
Total current tax (note 4(a))	(2)	38

5 Dividends

	2007 £000	2006 £000
Paid during the year		
Equity dividends on ordinary shares	2,406	7,172

6 Investments

Investments in subsidiary undertakings

	Shares in group undertakings £000
Cost	
At 1 January 2007 and 31 December 2007	15,208
Net book value	
At 31 December 2007	15,208
At 31 December 2006	15,208

The directly and wholly owned trading subsidiaries of the company are

	Country of incorporation and operation	Holding	Proportion held	Nature of business
Crystalate Electronics Limited	England and Wales	Ordinary shares	100%	Intermediate holding company
Crystalate Services Limited	England and Wales	Ordinary shares	100%	Intermediate holding company
BI Technologies Limited	England and Wales	Ordinary shares	100%	Electronic Products

7 Debtors

	2007 £000	2006 £000
Amounts owed by group undertakings	19	14
Corporation tax repayable	80	63
Other debtors	–	6
Prepayments and accrued income	–	107
	<u>99</u>	<u>190</u>

8 Investments

	2007 £000	2006 £000
Overseas listed investments	<u>3</u>	<u>3</u>

9 Creditors: amounts falling due within one year

	2007 £000	2006 £000
Amounts owed to group undertakings	2,705	2,165
Accruals and deferred income	6	156
	<u>2,711</u>	<u>2,321</u>

10 Derivatives

There were no derivatives held by the company at 31 December 2007 or 31 December 2006 not recognised in the financial statements

11 Contingent liabilities

There was a cross guarantee between certain companies in the group on all bank overdrafts with the HSBC Bank plc. At 31 December 2007 the amount thus guaranteed by the company was £7,366,000 (2006 - £2,953,000)

12 Related party transactions

The company has taken advantage of the exemption available under FRS 8 and has not disclosed transactions with companies that are part of the TT electronics group of companies

13 Share capital

Authorised share capital

	2007 £000	2006 £000
44,150,000 Ordinary shares of £0.05 each	<u>2,208</u>	<u>2,208</u>

Allotted, called up and fully paid

	2007 No	£000	2006 No	£000
Ordinary shares of £0.05 each	<u>38,294,567</u>	<u>1,915</u>	<u>38,294,567</u>	<u>1,915</u>

then cancelled

14 Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2007	9,092	5,830
Profit for the year	–	2,552
Equity dividends	–	(2,406)
At 31 December 2007	<u>9,092</u>	<u>5,976</u>

15 Reconciliation of movements in shareholders' funds

	2007 £000	2006 £000
Profit for the financial year	2,552	6,875
Equity dividends	(2,406)	(7,172)
Net addition/(reduction) to shareholders' funds	<u>146</u>	<u>(297)</u>
Opening shareholders' funds	16,837	17,134
Closing shareholders' funds	<u>16,983</u>	<u>16,837</u>

16 Pension commitments

The company participates in a defined benefit pension scheme, the TT electronics defined benefit scheme, to provide benefits to directors and employees. The scheme is set up under trust and its assets are therefore independent of those of the company.

The defined benefit scheme participated in by the company is a multi-employer pension scheme. The company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the company has taken advantage of the exemption in FRS 17 to assess the liabilities of the scheme at 31 December 2007.

The total contributions charged by the company in respect of the year ended 31 December 2007 were £46,000 (2006 - £360,000). The difference between the accumulated charge and the payments made to the scheme is dealt with in debtors and creditors as appropriate.

The most recent valuation of the scheme has been updated by an independent qualified actuary, taking account of the requirements of FRS 17 to assess the liabilities of the scheme at 31 December 2007. The market value of the scheme assets at the year end were £291,115,000 and the present value of the scheme liabilities were £306,605,000.

17 Ultimate parent company

TT electronics plc is the company's controlling related party by virtue of its 100 per cent interest in the company.

The company's ultimate controlling related party and ultimate parent undertaking is TT electronics plc which is registered in England and Wales.

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