

ARNEL LIMITED

Company No: 895566

ABBREVIATED

ACCOUNTS

- for the year ended -

31ST JULY 2000

PERKINS COPELAND
Chartered Accountants
15 Gildredge Road
Eastbourne, East Sussex
BN21 4RA

Reference DLD/02054/SAG



ARNEL LIMITED

DIRECTORS

R.R Cook
G.R Willingale

SECRETARY

R.R Cook

BUSINESS ADDRESS

Arnel House
Peerglow Business Centre
Marsh Lane, Ware
Hertfordshire
SG12 9QL

REGISTERED OFFICE

15 Gildredge Road
Eastbourne
East Sussex
BN21 4RA

AUDITORS

Perkins Copeland
Chartered Accountants
15 Gildredge Road
Eastbourne
East Sussex
BN21 4RA

PRINCIPAL BANKERS

HSBC Bank plc
81 Turners Hill
Cheshunt
Hertfordshire
EN8 9BA

ARNEL LIMITED

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FOR THE YEAR ENDED 31ST JULY 2000

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ARNEL LIMITED

AUDITORS' REPORT TO ARNEL LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of the company for the year ended 31 July 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.


.....
Registered Auditors
Chartered Accountants

15 Gildredge Road
Eastbourne
East Sussex
BN21 4RA

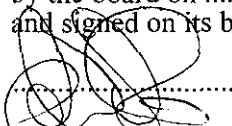
Date: 20 December 2000

ARNEL LIMITED**ABBREVIATED BALANCE SHEET AT 31ST JULY 2000**

	Notes	£	2000 £	£	1999 £
FIXED ASSETS					
Intangible assets	2		10,001		12,001
Tangible assets	2		317,753		294,102
Investments	2/3		10,004		-
			<u>337,758</u>		<u>306,103</u>
CURRENT ASSETS					
Stocks		100,806		137,025	
Debtors		235,913		231,166	
Cash at bank and in hand		106,690		113,370	
		<u>443,409</u>		<u>481,561</u>	
CREDITORS: Amounts falling due within one year	4	(358,065)		(369,421)	
NET CURRENT ASSETS			<u>85,344</u>		<u>112,140</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>423,102</u>		<u>418,243</u>
CREDITORS: Amounts falling due after more than one year	4		(110,132)		(120,915)
			<u>312,970</u>		<u>297,328</u>
CAPITAL AND RESERVES					
Called up share capital	5		100		100
Share premium account			954		954
Profit and loss account			311,916		296,274
SHAREHOLDERS FUNDS			<u>312,970</u>		<u>297,328</u>

These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

The abbreviated accounts were approved
by the board on 19 December 2000
and signed on its behalf by


G.R Willingale

The notes on pages 3 to 6 form part of these accounts.

ARNEL LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2000

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The company prepares its accounts under the historical cost convention as modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 INTANGIBLE ASSETS

Expenditure on development of specific computer software is carried forward and written off over the period over which that software is expected to be sold. The amount so deferred is reviewed annually and written off when the circumstances which justified deferral no longer apply.

The rights to software acquired for a notional consideration have been restated at cost in accordance with the requirements of the FRSSE relating to intangible fixed assets with no readily ascertainable market value.

1.4 DEPRECIATION

Depreciation is provided on all tangible fixed assets and calculated so as to write down the net cost of each asset to its residual value over the period of its anticipated economic life as follows:-

Freehold buildings	2% Reducing balance basis
Plant and machinery	25% Reducing balance
Fixtures and fittings	15% Reducing balance
Motor vehicles	25% Reducing balance

1.5 STOCKS

Stocks are stated in the balance sheet at the lower of cost and net realisable value.

1.6 PENSIONS

Contributions in respect of the company's money purchase scheme are charged to the profit and loss account for the year in which they are paid.

ARNEL LIMITED**ABBREVIATED ACCOUNTS****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2000****2. FIXED ASSETS**

	Intangible assets £	Tangible assets £	Investments £	Total £
<u>Cost</u>				
At 1 August 1999	20,001	479,031	-	499,032
Additions	-	60,859	10,004	70,863
Disposals	-	(9,232)	-	(9,232)
At 31 July 2000	20,001	530,658	10,004	560,663
<u>Depreciation</u>				
At 1 August 1999	8,000	184,929	-	192,929
Charge for year	2,000	33,990	-	35,990
On disposals	-	(6,014)	-	(6,014)
At 31 July 2000	10,000	212,905	-	222,905
<u>Net book value at 31 July 2000</u>	10,001	317,753	10,004	337,758
<u>Net book value at 31 July 1999</u>	12,001	294,102	-	306,103

Details of the subsidiary undertakings are given in note 3 .

ARNEL LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2000

3. FIXED ASSETS - INVESTMENTS

Investments (note 2) include the following subsidiaries at the balance sheet date:

<u>Subsidiary undertakings</u>	<u>Description and proportion of share capital owned</u>	<u>Country of incorporation</u>	<u>Nature of business</u>	<u>Share- holding</u>
CMO Limited	Ordinary 100%	G.B	Dormant	5,000
Computer Mail Order Ltd	Ordinary 100%	G.B	Dormant	5,000
Arnel Digital Security Products Ltd	Ordinary 100%	G.B	Dormant	2
Tipro Keyboards (U.K) Limited	Ordinary 100%	G.B	Trading - Sales of computer keyboards	2
				<u>£10,004</u>

The company is exempt from the obligation to prepare group financial statements as the group qualifies as a small size group as defined by Section 249 of the Companies Act 1985.

Financial information summary - subsidiary undertakings:

	<u>Aggregate capital and reserves at last accounting date £</u>	<u>Results for the last financial period £</u>
Tipro Keyboards (U.K) Limited	5,746	5,744
	<u>5,752</u>	<u>5,744</u>

4. CREDITORS

Creditors include the following:

Bank loan not wholly repayable within five years

- repayable within five years

- repayable after five years

34,690	32,690
83,980	94,763
<u>£ 118,670</u>	<u>£ 127,453</u>

The bank loan is secured.

ARNEL LIMITED

ABBREVIATED ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2000

5. SHARE CAPITAL

	2000	1999
	£	£
Authorised		
10,000 ordinary shares of £1 each	£10,000	£10,000
Issued and fully paid		
100 ordinary shares of £1 each	£100	£100

6. RELATED PARTY DISCLOSURES

Directors Current Accounts

During the year the company made loans to the directors as follows:

	Liability at 1 August 1999	Maximum Liability during the year	Liability at 31 July 2000
	£	£	£
R.R Cook	-	-	-
G.R Willingale	-	8,174	-