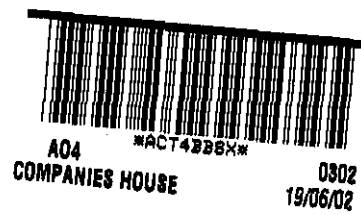


Registration number 898153

Sapphire Research & Electronics Limited

Abbreviated accounts

for the year ended 31st March 2002



Sapphire Research & Electronics Limited

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Sapphire Research & Electronics Limited

**Abbreviated balance sheet
as at 31st March 2002**

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		11,623		14,422
Investments	2		78,827		95,743
			<u>90,450</u>		<u>110,165</u>
Current assets					
Stocks		27,628		26,951	
Debtors		243,599		218,388	
Cash at bank and in hand		262,091		113,833	
		<u>533,318</u>		<u>359,172</u>	
Creditors: amounts falling due within one year		<u>(243,255)</u>		<u>(180,946)</u>	
Net current assets			290,063		178,226
Net assets			<u>380,513</u>		<u>288,391</u>
Capital and reserves					
Called up share capital	3		500		500
Profit and loss account			380,013		287,891
Shareholders' funds			<u>380,513</u>		<u>288,391</u>

In preparing these abbreviated accounts we have relied on the exemptions for individual financial statements conferred by section Section A of Part 1 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small sized company.

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 3 to 5 form an integral part of these financial statements.

Sapphire Research & Electronics Limited

Abbreviated balance sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31st March 2002**

In approving these abbreviated accounts as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st March 2002 and

(c) that I acknowledge my responsibilities for:

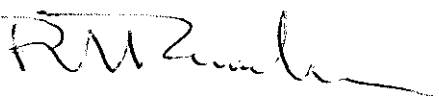
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The abbreviated accounts were approved by the Board on 28th May 2002 and signed on its behalf by

R V Parker
Director



The notes on pages 3 to 5 form an integral part of these financial statements.

Sapphire Research & Electronics Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention 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 and services rendered and related 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:

Leasehold properties	-	Straight line over the life of the lease
Other tangible assets	-	15% to 25% straight line

1.4. Investments

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

1.5. Stock

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

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year in accordance with SSAP 24.

1.7. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

Sapphire Research & Electronics Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

2. Fixed assets	Tangible fixed assets £	Investments £	Total £
Cost			
At 1st April 2001	38,794	95,743	134,537
Additions	-	21,413	21,413
Disposals	-	(31,505)	(31,505)
At 31st March 2002	38,794	85,651	124,445
Depreciation and Provision for diminution in value			
At 1st April 2001	24,372	-	24,372
Charge for year and movement	2,799	6,824	9,623
At 31st March 2002	27,171	6,824	33,995
Net book values			
At 31st March 2002	11,623	78,827	90,450
At 31st March 2001	14,422	95,743	110,165

2.1. Investment details	2002 £	2001 £
3. Share capital	2002 £	2001 £
Authorised		
500 Ordinary shares of 1 each	500	500
Allotted, called up and fully paid		
500 Ordinary shares of 1 each	500	500

4. Transactions with directors

Mr. and Mrs Parker received a dividend from the company of £73,222 (2001 £10,000) during the year. The company owed the director £91,025 at the year end.

Sapphire Research & Electronics Limited

**Notes to the abbreviated financial statements
for the year ended 31st March 2002**

..... continued

5. Ultimate controlling interest

The company is controlled by Mr R V Parker who owns the majority of the issued share capital.