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JANDEL ENGINEERING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1996
COMPANY NUMBER 917424



Gittins Mulderrig
Canada House
Eastcote
Middlesex HA4 9NA

JANDEL ENGINEERING LIMITED

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FOR THE YEAR ENDED 31ST OCTOBER 1996

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JANDEL ENGINEERING LIMITED

REPORT OF THE DIRECTORS

J. Clark
L. Clark

The directors whose names appear above present their report and the financial statements for the year ended 31st October 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company remained that of the manufacture of electronic equipment and scientific instruments.

The Company's results for the year are dealt with in detail in the statutory balance sheet and profit and loss account, and notes forming part of the financial statements.

The directors are pleased with the performance of the company during the year and are confident that the present level of activity and profitability will be sustained for the foreseeable future.

DIVIDEND AND TRANSFER TO RESERVES

During the year a dividend of £80.00 per share was paid by the company.

It is proposed that the retained profit of £22,369 is transferred to reserves.

FIXED ASSETS

The movements in fixed assets during the year are set out in note 7 to the financial statements.

JANDEL ENGINEERING LIMITED

REPORT OF THE DIRECTORS

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as stated below:

		Number of shares	
	Class of shares	1996	1995
J. Clark	Ordinary Shares	50	50
L. Clark	Ordinary Shares	50	50

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its profit or loss for that period.

In preparing those accounts, the directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, follow applicable accounting standards subject to any material departures disclosed and explained in the accounts, and prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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 preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

By Order of the Board

L. Clark
Secretary
L. Clark

3rd December 1996
Date

Registered Office:

1 Redwood Close
Wing
Leighton Buzzard

JANDEL ENGINEERING LIMITED

**ACCOUNTANTS REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED ACCOUNTS**

We report on the accounts for the year ended the 31st October 1996 set out on pages 4 to 11.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS
AND THE REPORTING ACCOUNTANTS**

As described on page 2, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

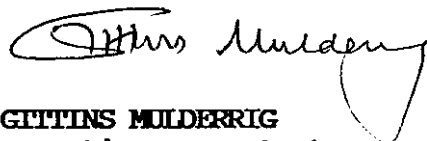
BASIS OF OPINION

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).


GITTINS MULDERRIG
Reporting Accountants

31st December 1996
Date

JANDEL ENGINEERING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 1996

	Notes	1996 £	1995 £
TURNOVER	2	289,379	207,411
Cost of Sales		(133,646)	(105,492)
GROSS PROFIT		155,733	101,919
Administrative expenses		(115,104)	(65,562)
OPERATING PROFIT	3	40,629	36,357
Interest Receivable		435	667
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		41,064	37,024
Tax on Profit on Ordinary Activities	5	(10,695)	(8,956)
PROFIT FOR THE FINANCIAL YEAR		30,369	28,068
Dividends	6	(8,000)	-
RETAINED PROFIT FOR THE YEAR		22,369	28,068
Retained Profits Brought Forward		52,470	24,402
RETAINED PROFITS CARRIED FORWARD		<u>£ 74,839</u>	<u>£ 52,470</u>

Turnover and operating profit derive wholly from continuing operations.

The company had no recognised gains or losses other than the profit for the year.

The notes on pages 6 to 11 form part of these financial statements

JANDEL ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST OCTOBER 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible Assets	7	29,115	26,697
CURRENT ASSETS			
Stocks	8	18,820	12,787
Debtors	9	35,308	27,389
Cash at Bank and in Hand		38,612	37,112
		<u>92,740</u>	<u>77,288</u>
CREDITORS: Amounts Falling Due Within One Year	10	(46,916)	(51,415)
NET CURRENT ASSETS		<u>45,824</u>	<u>25,873</u>
		<u>£ 74,939</u>	<u>£ 52,570</u>
CAPITAL AND RESERVES			
Called Up Share Capital	11	100	100
Profit and Loss Account		74,839	52,470
		<u>£ 74,939</u>	<u>£ 52,570</u>

For the financial year ended the 31st October 1996, the company was entitled to exemption from audit under section 249A(2) Companies Act 1985; and no notice has been deposited under section 249B(2). The directors acknowledge their responsibility for ensuring the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Director *J. Clark*
J. Clark

Date *31st December 1996*

The notes on pages 6 to 11 form part of these financial statements

JANDEL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1996

1. ACCOUNTING POLICIES

1.1 Basis of Accounting:

The financial statements are prepared under the historical cost convention.

1.2 Cash Flow Statement:

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1, Cash Flow Statements.

1.3 Turnover:

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

1.4 Depreciation:

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost of the tangible assets over their estimated useful lives:-

Machinery and Equipment	15%	Reducing balance
Motor Vehicles	25%	Reducing balance

1.5 Stock:

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

JANDEL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1996**

2. TURNOVER	1996	1995
	£	£
Analysis by:-		
Geographical Market		
United Kingdom	83,175	76,432
North America	113,538	48,733
Far East	75,378	53,808
Europe	17,288	28,438
	<u>£ 289,379</u>	<u>£ 207,411</u>
 3. OPERATING PROFIT	 1996	 1995
	£	£
The Operating Profit is Stated		
After Charging:-		
Depreciation	6,861	3,738
Auditors' Remuneration	-	1,125
Operating Lease Rentals:		
Land and Buildings	<u>18,215</u>	<u>8,693</u>

JANDEL ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1996

4. DIRECTORS AND EMPLOYEES	1996 £	1995 £
Staff Costs:-		
Wages and Salaries	88,019	63,656
Social Security Costs	8,689	6,171
Other Pension Costs	35,067	4,413
	<u>£ 131,775</u>	<u>£ 74,240</u>

The average weekly number of employees during the year was made up as follows:

	Number	Number
Administration	1	1
Production	6	5
	<u>7</u>	<u>6</u>

Directors' Emoluments for the year	<u>£ 67,736</u>	<u>£ 28,903</u>
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The division of Directors' Emoluments, excluding pension contributions, is as follows:-

Chairman	<u>£ 19,167</u>	<u>£ 19,667</u>
Highest Paid Director	<u>£ 13,502</u>	<u>£ 4,823</u>

JANDEL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1996**

5. TAX ON PROFIT ON ORDINARY ACTIVITIES	1996	1995
	£	£
The Taxation Charge Based on The Profit Before Tax Comprises:-		
U.K Corporation Tax at 24% (1995 - 25%)	10,705	8,956
	<hr/>	<hr/>
	10,705	8,956
Adjustment in Respect of Prior Years	(10)	-
	<hr/>	<hr/>
	£ 10,695	£ 8,956
	<hr/>	<hr/>

6. DIVIDENDS	1996	1995
	£	£
Dividend Paid	8,000	-
	<hr/>	<hr/>
	£ 8,000	£ -
	<hr/>	<hr/>

JANDEL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1996**

7. TANGIBLE FIXED ASSETS

Cost	Beginning of year	Additions	Disposals	End of year
	£	£	£	£
Machinery and Equipment	27,320	9,279	-	36,599
Motor Vehicles	15,935	-	-	15,935
	<u>43,255</u>	<u>9,279</u>	<u>-</u>	<u>52,534</u>
Depreciation	Beginning of year	Charge for year	On Disposals	End of year
	£	£	£	£
Machinery and Equipment	15,278	3,198	-	18,476
Furniture, Fixtures				
Motor Vehicles	1,280	3,663	-	4,943
	<u>16,558</u>	<u>6,861</u>	<u>-</u>	<u>23,419</u>
	Beginning of year			End of year
Total Net Book Values	£ 26,697			£ 29,115

8. STOCKS

	1996 £	1995 £
Finished Goods and Work in Progress	18,820	12,787
	<u>£ 18,820</u>	<u>£12,787</u>

JANDEL ENGINEERING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1996**

9. DEBTORS	1996	1995
	£	£
Trade Debtors	29,610	19,780
Other Debtors	966	1,816
Prepayments and Accrued Income	4,732	5,793
	<u>£ 35,308</u>	<u>£ 27,389</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1996	1995
	£	£
Trade Creditors	8,816	20,889
Corporation Tax	10,705	8,956
Other Taxes and Social Security Costs	4,783	3,264
Directors' Current Accounts	9,640	7,785
Accruals and Deferred Income	12,972	10,521
	<u>£ 46,916</u>	<u>£ 51,415</u>

11. SHARE CAPITAL	1996	1995
	£	£
Authorised:		
Ordinary Shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Allotted, Called Up and Fully Paid:		
Ordinary Shares of £1 each	<u>£ 100</u>	<u>£ 100</u>