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**JANDEL ENGINEERING LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST OCTOBER 1998**  
**COMPANY NUMBER 917424**



**Gittins Mulderrig**  
**Canada House**  
**Eastcote**  
**Middlesex HA4 9NA**

**JANDEL ENGINEERING LIMITED**

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**FOR THE YEAR ENDED 31ST OCTOBER 1998**

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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 1998.

### **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**

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £2,251 is transferred to reserves.

### **FIXED ASSETS**

The movements in fixed assets during the year are set out in note 6 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 | 1998             | 1997 |
| 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

Secretary .....  
L. Clark

Date 26/1/99 .....

### 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 1998 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.

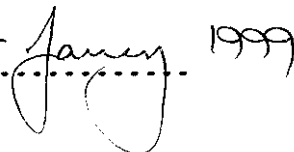
**OPINION**

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

Date .....

  
26<sup>th</sup> January 1999

**JANDEL ENGINEERING LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31ST OCTOBER 1998**

|  | Notes    | 1998<br>£        | 1997<br>£        |
|--|----------|------------------|------------------|
| <b>TURNOVER</b>  | <b>2</b> | 279,372          | 319,535          |
| Cost of Sales  |          | (157,698)        | (132,295)        |
| <b>GROSS PROFIT</b>                                      |          | 121,674          | 187,240          |
| Administrative expenses                                  |          | (119,884)        | (150,763)        |
| <b>OPERATING PROFIT</b>                                  | <b>3</b> | 1,790            | 36,477           |
| Interest Receivable                                      |          | 1,493            | 495              |
| <b>PROFIT ON ORDINARY<br/>ACTIVITIES BEFORE TAXATION</b> |          | 3,283            | 36,972           |
| Tax on Profit on<br>Ordinary Activities                  | <b>5</b> | (1,032)          | (8,420)          |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                     |          | 2,251            | 28,552           |
| Retained Profits<br>Brought Forward                      |          | 103,391          | 74,839           |
| <b>RETAINED PROFITS CARRIED FORWARD</b>                  |          | <u>£ 105,642</u> | <u>£ 103,391</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 1998

|   | Notes | 1998<br>£        | 1997<br>£       |
|---|-------|------------------|-----------------|
| <b>FIXED ASSETS</b>                                   |       |                  |                 |
| Tangible Assets                                       | 6     | 26,423           | 32,215          |
| <b>CURRENT ASSETS</b>                                 |       |                  |                 |
| Stocks  | 7     | 21,124           | 25,767          |
| Debtors   | 8     | 23,768           | 40,905          |
| Cash at Bank and in Hand                              |       | 84,194           | 69,311          |
|   |       | <u>129,086</u>   | <u>135,983</u>  |
| <b>CREDITORS: Amounts Falling Due Within One Year</b> | 9     | <u>(49,767)</u>  | <u>(64,707)</u> |
| <b>NET CURRENT ASSETS</b>                             |       | <u>79,319</u>    | <u>71,276</u>   |
|   |       | <u>£ 105,742</u> | <u>£103,491</u> |
| <b>CAPITAL AND RESERVES</b>                           |       |                  |                 |
| Called Up Share Capital                               | 10    | 100              | 100             |
| Profit and Loss Account                               |       | <u>105,642</u>   | <u>103,391</u>  |
|   |       | <u>£ 105,742</u> | <u>£103,491</u> |

For the financial year ended the 31st October 1998, 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

Date .. Jun 26<sup>th</sup> 1999

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 1998**

#### **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 1998**

|                     |                  |                  |
|---------------------|------------------|------------------|
| <b>2. TURNOVER</b>  | <b>1998</b>      | <b>1997</b>      |
|                     | <b>£</b>         | <b>£</b>         |
| Analysis by:-       |                  |                  |
| Geographical Market |                  |                  |
| United Kingdom      | 87,503           | 107,720          |
| North America       | 80,873           | 96,150           |
| Far East            | 78,137           | 96,250           |
| Others              | 32,859           | 19,415           |
|                     | <u>£ 279,372</u> | <u>£ 319,535</u> |

|                                |               |               |
|--------------------------------|---------------|---------------|
| <b>3. OPERATING PROFIT</b>     | <b>1998</b>   | <b>1997</b>   |
|                                | <b>£</b>      | <b>£</b>      |
| The Operating Profit is Stated |               |               |
| After Charging:-               |               |               |
| Depreciation                   | 5,460         | 6,978         |
| Operating Lease Rentals:       |               |               |
| Land and Buildings             | <u>20,026</u> | <u>19,033</u> |

# JANDEL ENGINEERING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1998

| 4. DIRECTORS AND EMPLOYEES | 1998<br>£        | 1997<br>£        |
|----------------------------|------------------|------------------|
| Staff Costs:-              |                  |                  |
| Wages and Salaries         | 102,286          | 107,867          |
| Social Security Costs      | 12,673           | 11,243           |
| Other Pension Costs        | 37,854           | 47,976           |
|                            | <u>£ 152,813</u> | <u>£ 167,086</u> |

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

|                | Number   | Number   |
|----------------|----------|----------|
| Administration | 2        | 1        |
| Production     | 5        | 6        |
|                | <u>7</u> | <u>7</u> |

|                                    |                 |                 |
|------------------------------------|-----------------|-----------------|
| Directors' Emoluments for the year | <u>£ 73,883</u> | <u>£ 88,538</u> |
|------------------------------------|-----------------|-----------------|

The division of Directors' Emoluments, excluding pension contributions, is as follows:-

|                       |                 |                 |
|-----------------------|-----------------|-----------------|
| Chairman              | <u>£ 18,604</u> | <u>£ 21,667</u> |
| Highest Paid Director | <u>£ 19,167</u> | <u>£ 20,500</u> |

**JANDEL ENGINEERING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1998**

| <b>5. TAX ON PROFIT ON ORDINARY ACTIVITIES</b>                    | <b>1998</b>    | <b>1997</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| The Taxation Charge Based on<br>The Profit Before Tax Comprises:- |                |                |
| U.K Corporation Tax at 21% (1997 - 21%)                           | 1,020          | 8,420          |
|   | <u>1,020</u>   | <u>8,420</u>   |
| Adjustment in Respect of Prior Years                              | 12             | -              |
|   | <u>£ 1,032</u> | <u>£ 8,420</u> |

**6. TANGIBLE FIXED ASSETS**

| <b>Cost</b>                  | <b>Beginning<br/>of year</b> | <b>Additions</b>           | <b>Disposals</b>        | <b>End<br/>of year</b> |
|------------------------------|------------------------------|----------------------------|-------------------------|------------------------|
|                              | <b>£</b>                     | <b>£</b>                   | <b>£</b>                | <b>£</b>               |
| Machinery and Equipment      | 46,677                       | 1,142                      | -                       | 47,819                 |
| Motor Vehicles               | 15,935                       | -                          | (3,900)                 | 12,035                 |
|                              | <u>62,612</u>                | <u>£ 1,142</u>             | <u>£ (3,900)</u>        | <u>59,854</u>          |
| <b>Depreciation</b>          | <b>Beginning<br/>of year</b> | <b>Charge<br/>for year</b> | <b>On<br/>Disposals</b> | <b>End<br/>of year</b> |
|                              | <b>£</b>                     | <b>£</b>                   | <b>£</b>                | <b>£</b>               |
| Machinery and Equipment      | 22,706                       | 3,767                      | -                       | 26,473                 |
| Furniture, Fixtures          |                              |                            |                         |                        |
| Motor Vehicles               | 7,691                        | 1,693                      | (2,426)                 | 6,958                  |
|                              | <u>30,397</u>                | <u>£ 5,460</u>             | <u>£ (2,426)</u>        | <u>33,431</u>          |
| <b>Total Net Book Values</b> | <b>Beginning<br/>of year</b> |                            |                         | <b>End<br/>of year</b> |
|                              | <b>£ 32,215</b>              |                            |                         | <b>£ 26,423</b>        |

**JANDEL ENGINEERING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1998**

| <b>7. STOCKS</b>                    | <b>1998</b>     | <b>1997</b>    |
|-------------------------------------|-----------------|----------------|
|                                     | <b>£</b>        | <b>£</b>       |
| Finished Goods and Work in Progress | 21,124          | 25,767         |
|                                     | <u>£ 21,124</u> | <u>£25,767</u> |

| <b>8. DEBTORS</b>              | <b>1998</b>     | <b>1997</b>     |
|--------------------------------|-----------------|-----------------|
|                                | <b>£</b>        | <b>£</b>        |
| Trade Debtors                  | 14,673          | 34,639          |
| Other Debtors                  | 1,171           | 1,104           |
| Prepayments and Accrued Income | 7,924           | 5,162           |
|                                | <u>£ 23,768</u> | <u>£ 40,905</u> |

| <b>9. CREDITORS: AMOUNTS FALLING DUE<br/>WITHIN ONE YEAR</b> | <b>1998</b>     | <b>1997</b>     |
|--|-----------------|-----------------|
|  | <b>£</b>        | <b>£</b>        |
| Trade Creditors  | 16,776          | 19,082          |
| Corporation Tax  | 1,020           | 8,420           |
| Other Taxes and Social Security Costs                        | 6,063           | 5,164           |
| Directors' Current Accounts                                  | 5,944           | 14,151          |
| Accruals and Deferred Income                                 | 19,964          | 17,890          |
|  | <u>£ 49,767</u> | <u>£ 64,707</u> |

**JANDEL ENGINEERING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST OCTOBER 1998**

**10. SHARE CAPITAL**

| 1998 | 1997 |
|------|------|
| £    | £    |

**Authorised:**

Ordinary Shares of £1 each

|                   |     |                   |     |
|-------------------|-----|-------------------|-----|
| £                 | 100 | £                 | 100 |
| <u>          </u> |     | <u>          </u> |     |

**Allotted, Called Up and Fully Paid:**

Ordinary Shares of £1 each

|                   |     |                   |     |
|-------------------|-----|-------------------|-----|
| £                 | 100 | £                 | 100 |
| <u>          </u> |     | <u>          </u> |     |