



**VIGLEN LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 1997

Company No: 1208441

**VIGLEN LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

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Company registration number:

1208441

Registered office:

Viglen House  
Alperton Lane  
Alperton  
Middlesex  
HA0 1DX

Directors:

B Tkachuk (Chairman)  
A Tanielian  
D Kazandjian  
R Davis  
R Babaian  
A G Dean  
M E Ray

Secretary:

M E Ray

Bankers:

National Westminster Bank Plc  
PO Box No 592  
18 Cromwell Place  
London  
SW7 2LB

Auditors:

Grant Thornton  
Registered auditors  
Chartered accountants  
London

**VIGLEN LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

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# VIGLEN LIMITED

## REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the audited financial statements for the year ended 30 June 1997.

### Principal activities

The company is principally engaged in the manufacturing and marketing of computers, peripherals and software.

### Business review

In common with the rest of the PC industry, Viglen has experienced a fall in the average selling price of PCs, which is calculated on a cost-plus basis, as a result of the substantial reduction in the price of memory chips and the availability of higher specification PCs at the low cost, entry level end of the market.

Market research forecasts confirm growth in the UK PC market, albeit at a lower level than has been experienced historically. Viglen expects to maintain its growth and to increase its market share by focusing on its key markets, in particular by expanding the network solution division.

### Results and dividends

The results for the year are set out on page 7. The profit for the period after taxation amounted to £7,557,287 (1996: £7,479,453). An interim dividend of £1,700,000 was paid on 30 April 1997 (1996: £1,650,000) and a final dividend of £8,000,000 (1996: £2,000,000) was paid on 30 June 1997 to Amstrad plc.

### Directors and directors' interests

All directors served throughout the year.

No director has, or had, during the year or at the year end, any interest in the shares of the company.

The directors had the following interests in the shares and share options of Amstrad plc.

	Number of ordinary shares beneficially held		Number of share options beneficially held	
	30 June 1997	30 June 1996	30 June 1997	30 June 1996
A Tanelian	1,441,340	1,437,146	-	-
D Kazandjian	611,478	609,698	53,950	53,950
R Davis	183,444	182,910	-	-
R Babaian	262,062	261,300	137,850	53,950
B Tkachuk	-	-	325,938	75,938
M E Ray	-	-	151,364	26,364
A G Dean	-	-	315,399	157,586

# **VIGLEN LIMITED**

## **REPORT OF THE DIRECTORS**

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The ordinary shares beneficially held at 30 June 1997 For Messrs A Tanelian, D Kazandjian, R Babaian and R Davis include shares granted to them as part of the deferred consideration payable to them as vendors of Viglen Limited to Amstrad plc and the number of these shares crystallised on 3 July 1997.

After the year end Amstrad plc was acquired by Viglen Technology plc. As at 12 September 1997 no director had any beneficial interest in the shares of Amstrad plc or held any share option in Amstrad plc.

As at 4 August 1997 after Amstrad plc was acquired by Viglen Technology plc the directors had the following beneficial holdings in the ordinary shares of Viglen Technology plc:

	No of ordinary shares
A Tanelian	-
D Kazandjian	306,629
R Davis	91,989
R Babaian	249,112
B Tkachuk	10,000
M E Ray	10,000
A G Dean	-

### **Directors' responsibilities for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which 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 those 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 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Payment policy**

It is the company's normal practice to pay its suppliers within agreed terms provided that the suppliers meet their obligations. Trade creditors at the year end amounted to 41 days of average supplies for the year.

# **VIGLEN LIMITED**

## **REPORT OF THE DIRECTORS**

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### **Research and development**

The company carries out research and development as part of its day to day activities in relation to its products according to the market in which it operates.

### **Employee involvement**

The company has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company.

This is achieved through the notice boards and announcement of daily sales performance against targets.

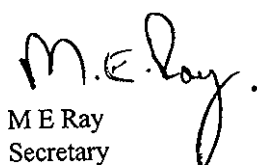
### **Employment of disabled persons**

It is the policy of the company to give full and fair consideration to applications for employment from disabled persons, to continue wherever possible the employment of members of staff who may become disabled and to ensure that suitable training, career development and promotion is afforded to such persons.

### **Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

Approved by the Board of Directors  
and signed by order of the Board

  
M E Ray  
Secretary

12 September 1997

## **REPORT OF THE AUDITORS TO THE MEMBERS OF**

### **VIGLEN LIMITED**

We have audited the financial statements on pages 5 to 18 which have been prepared under the accounting policies as set out on pages 5 and 6.

#### **Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards 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.

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 of the state of the company's affairs at 30 June 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
LONDON**

12 September 1997

# **VIGLEN LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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The financial statements have been prepared in accordance with applicable accounting standards in the UK and under the historical cost convention except that certain freehold properties are shown at their revalued amounts. The principal accounting policies set out below have remained unchanged from the previous period.

### **Turnover**

Turnover comprises the invoiced value of goods sold and services supplied by the company, excluding value added tax and trade discounts.

### **Depreciation**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold improvements	- over life of lease
Freehold buildings	- 2% on cost or revalued amount
Motor vehicles	- 25% on cost
Fixtures and fittings	- 10%-20% on cost

Tooling is depreciated over 12 months on a straight line basis.

### **Investments**

Investments are included at cost less amounts written off to reflect a permanent diminution in value.

### **Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

### **Research and development**

Expenditure on research and development is charged against profits in the year in which it is incurred.

### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.



# **VIGLEN LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **Deferred taxation**

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

### **Warranty**

Warranty revenues are released to profit in the year of sale. Provision is made in the same period for the expected future cost of providing the warranty.

### **Exemption from preparing group accounts**

The financial statements contain information about Viglen Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it was a wholly owned subsidiary of Amstrad Plc (see note 24).

### **Contributions to pension funds**

The company operates a defined contribution pension scheme in respect of certain directors and pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

### **Leased assets**

All current leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

**VIGLEN LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 JUNE 1997**

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	Note	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Turnover	1	100,877,191	105,952,345
Operating costs	2	<u>(90,761,112)</u>	<u>(95,497,850)</u>
Operating profit		10,116,079	10,454,495
Net interest	4	<u>893,964</u>	<u>553,958</u>
Profit on ordinary activities before taxation	1,5	11,010,043	11,008,453
Tax on profit on ordinary activities	6	<u>(3,452,756)</u>	<u>(3,529,000)</u>
Profit on ordinary activities after taxation		7,557,287	7,479,453
Equity dividends	7	<u>(9,700,000)</u>	<u>(3,650,000)</u>
Retained (loss)/profit for the year transferred from/to reserves	16	<u><u>(2,142,713)</u></u>	<u><u>3,829,453</u></u>

There were no recognised gains or losses other than the profit for the financial year.

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

# VIGLEN LIMITED

## BALANCE SHEET AT 30 JUNE 1997

	Note	At 30 June 1997	At 30 June 1996
		£	£
<b>Fixed assets</b>			
Tangible assets	8	4,718,127	5,249,277
Investments	9	-	32,813
		<u>4,718,127</u>	<u>5,282,090</u>
<b>Current assets</b>			
Stocks	10	9,918,523	10,593,662
Debtors	11	15,669,109	12,966,497
Cash at bank and in hand		<u>6,445,146</u>	<u>14,840,282</u>
		32,032,778	38,400,441
<b>Creditors: amounts falling due within one year</b>	12	<u>(17,068,660)</u>	<u>(22,432,209)</u>
Net current assets		<u>14,964,118</u>	<u>15,968,232</u>
<b>Total assets less current liabilities</b>		19,682,245	21,250,322
<b>Provisions for liabilities and charges</b>			
Other provisions	13	<u>(1,443,487)</u>	<u>(868,851)</u>
		<u>18,238,758</u>	<u>20,381,471</u>
<b>Capital and reserves</b>			
Called up share capital	15	10,067	10,067
Profit and loss account	16	<u>18,228,691</u>	<u>20,371,404</u>
<b>Shareholders' funds</b>	17	<u>18,238,758</u>	<u>20,381,471</u>
Equity shareholders' funds		18,228,758	20,371,471
Non equity shareholders' funds		<u>10,000</u>	<u>10,000</u>
		<u>18,238,758</u>	<u>20,381,471</u>

The financial statements were approved by the Board of Directors on 12 September 1997.

M E Ray



Director

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

# VIGLEN LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 1997

	Note	Year ended 30 June 1997	Year ended 30 June 1996
		£	£
<b>Net cash inflow from operating activities</b>	18	7,322,066	16,567,196
<b>Return on investments and servicing of finance</b>			
Interest received		902,319	558,552
Interest paid		<u>(8,355)</u>	<u>(4,184)</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>		893,964	554,368
<b>Taxation</b>			
Corporation tax paid		(320,271)	(1,874,029)
Payments to Amstrad plc for group relief		<u>(4,146,112)</u>	<u>(2,380,000)</u>
		(4,466,383)	(4,254,029)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(502,683)	(1,351,100)
Sale of tangible fixed assets		<u>57,900</u>	<u>37,996</u>
<b>Net cash outflow from capital expenditure and financial investment</b>		(444,783)	(1,313,104)
<b>Acquisitions and disposals</b>			
Purchase of investments in subsidiary undertakings		<u>-</u>	<u>(32,813)</u>
<b>Net cash outflow from acquisitions and disposals</b>		-	(32,813)
<b>Equity dividends paid</b>		<u>(11,700,000)</u>	<u>(3,650,000)</u>
<b>(Decrease)/increase in cash</b>	19	<u><u>(8,395,136)</u></u>	<u><u>7,871,618</u></u>

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

# VIGLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit on ordinary activities before taxation are attributable to the manufacturing and marketing of computers, peripherals and software. The company operates in one class of business activity. Turnover and operations arise predominantly in the UK.

### 2 OPERATING COSTS

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Other operating income	(59,361)	(18,943)
Changes in work in progress and finished goods	(228,583)	724,312
Raw material and consumables	76,441,252	80,617,797
Other external charges	6,539,444	7,187,488
Staff costs	6,320,025	5,688,347
Depreciation	966,506	899,222
Loss/(profit) on sale of fixed assets	9,427	(9,678)
Other operating charges	772,402	409,305
	<u>90,761,112</u>	<u>95,497,850</u>

### 3 STAFF COSTS

Staff costs during the period were as follows:

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Wages and salaries	5,716,831	5,159,322
Social security costs	563,194	529,025
Pension costs	40,000	-
	<u>6,320,025</u>	<u>5,688,347</u>

The average number of employees of the company during the period was 292 (1996: 271).

**VIGLEN LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 1997**

Remuneration in respect of directors was as follows:

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Management remuneration	444,138	284,618
Pension contributions	40,000	-
	<u>484,138</u>	<u>284,618</u>

During the year one director participated in a money purchase pension scheme.

The amounts set out above include remuneration in respect of the highest paid director as follows:

£	£
<u>147,114</u>	<u>78,175</u>

**4 NET INTEREST**

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Interest receivable	902,319	558,142
Interest payable on borrowings wholly repayable within five years	(8,355)	(4,184)
	<u>893,964</u>	<u>553,958</u>

**5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Profit on ordinary activities before taxation is after charging:

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Write off of fixed asset investments	32,813	-
Auditors remuneration:		
- Audit services	32,000	29,000
- Non audit services	<u>12,500</u>	<u>-</u>

**VIGLEN LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 1997**

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**6 TAX ON PROFIT ON ORDINARY ACTIVITIES**

The tax charge is based on the profit for the period and represents:

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
United Kingdom corporation tax @ 33% (1996: 33%)	3,680,515	3,570,000
Adjustments in respect of prior year		
Corporation tax	(227,759)	(41,000)
	<u>3,452,756</u>	<u>3,529,000</u>

**7 DIVIDENDS**

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Ordinary \$0.01 shares - interim dividend of £170 per share (1996: £165)	1,700,000	1,650,000
Ordinary \$0.01 shares - final dividend of £800 per share (1996: £200)	8,000,000	2,000,000
	<u>9,700,000</u>	<u>3,650,000</u>

**VIGLEN LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 1997

**8 TANGIBLE FIXED ASSETS**

	Freehold property £	Leasehold improvements £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 July 1996	1,879,218	638,622	4,132,128	299,778	6,949,746
Additions	-	41,739	230,285	230,659	502,683
Disposals	-	-	(76,259)	(120,503)	(196,762)
At 30 June 1997	<u>1,879,218</u>	<u>680,361</u>	<u>4,286,154</u>	<u>409,934</u>	<u>7,255,667</u>
Depreciation					
At 1 July 1996	125,292	157,822	1,292,335	125,020	1,700,469
Disposals	-	-	(55,191)	(74,244)	(129,435)
Charged in the period	21,218	132,194	730,872	82,222	966,506
At 30 June 1997	<u>146,510</u>	<u>290,016</u>	<u>1,968,016</u>	<u>132,998</u>	<u>2,537,540</u>
Net book amount at 30 June 1997	<u>1,732,708</u>	<u>390,345</u>	<u>2,318,138</u>	<u>276,936</u>	<u>4,718,127</u>
Net book amount at 30 June 1996	<u>1,753,926</u>	<u>480,800</u>	<u>2,839,793</u>	<u>174,758</u>	<u>5,249,277</u>

Leasehold improvements relate to short leasehold property.

The gross amount of land and buildings on which depreciation is being provided is £1,060,884.

As part of the acquisition of the company by Amstrad plc in July 1994 the valuation of the freehold property was considered by both parties and reduced by £549,690. If this property were stated at its historic cost it would have been included at a cost of £2,428,908.

**9 FIXED ASSET INVESTMENTS**

	30 June 1997 £	30 June 1996 £
Investment in subsidiary companies		
As at 1 July 1996	32,813	32,813
Written off in the year	<u>(32,813)</u>	<u>-</u>
As at 30 June 1997	<u>-</u>	<u>32,813</u>

The investment relates to the company's two subsidiary companies, Amstrad Direct Limited incorporated in the United Kingdom and registered in England and Wales and Viglen France SA incorporated in France. Viglen owns 100% of the ordinary share capital of both companies.

Amstrad Direct Limited ceased trading during the year.

Viglen France SA does not trade.



**VIGLEN LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 1997****10 STOCKS**

	30 June 1997 £	30 June 1996 £
Raw materials, consumables and bought in products	8,292,907	9,196,629
Work in progress and finished goods	1,625,616	1,397,033
	<u>9,918,523</u>	<u>10,593,662</u>

**11 DEBTORS**

	30 June 1997 £	30 June 1996 £
Trade debtors	13,699,170	11,439,114
Other debtors	1,182	800
Prepayments and accrued income	689,818	336,929
ACT recoverable	801,729	500,000
Corporation tax recoverable	-	260,204
Amounts owed by group undertakings	477,210	429,450
	<u>15,669,109</u>	<u>12,966,497</u>

The ACT recoverable shown in debtors is due after more than one year.

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 June 1997 £	30 June 1996 £
Payments received on account	243,831	270,956
Trade creditors	9,336,367	10,376,875
Corporation tax	3,532,161	4,008,271
ACT payable	369,208	865,200
Other taxes and social security costs	1,651,325	1,518,784
Dividends	-	2,000,000
Accruals and deferred income	1,180,445	1,937,402
Amounts owed to group undertakings	755,323	1,454,721
	<u>17,068,660</u>	<u>22,432,209</u>

# VIGLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

### 13 PROVISIONS FOR LIABILITIES AND CHARGES

	£
Other provision at 1 July 1996	868,851
Provided during the period	574,636
At 30 June 1997	<u>1,443,487</u>

These provisions relate to the expected future cost of providing warranty support.

### 14 DEFERRED TAXATION

	Amount provided		Amount unprovided	
	30 June 1997	30 June 1996	30 June 1997	30 June 1996
	£	£	£	£
Accelerated capital allowances	-	-	258,436	259,856
Other timing differences	-	-	(471,426)	(442,129)
	<u>-</u>	<u>-</u>	<u>(212,990)</u>	<u>(182,273)</u>

### 15 SHARE CAPITAL

	30 June 1997	30 June 1996
	£	£
Authorised, allotted, called up and fully paid		
10,000 deferred shares of £1 each	10,000	10,000
10,000 ordinary shares of \$0.01 each	67	67
	<u>10,067</u>	<u>10,067</u>

The deferred shares do not have voting rights attached to them and are not entitled to receive a dividend.

### 16 PROFIT AND LOSS ACCOUNT

	Year ended 30 June 1997	Year ended 30 June 1996
	£	£
At 1 July 1996	20,371,404	16,541,951
Retained (loss)/profit for the year	(2,142,713)	3,829,453
At 30 June 1997	<u>18,228,691</u>	<u>20,371,404</u>

**VIGLEN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

**17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	Year ended 30 June 1997 £	Year ended 30 June 1996 £
Profit for the financial year	7,557,287	7,479,453
Dividends	(9,700,000)	(3,650,000)
Net (decrease)/increase in shareholders' funds	(2,142,713)	3,829,453
Shareholders' funds at 1 July 1996	20,381,471	16,552,018
Shareholders' funds at 30 June 1997	<u>18,238,758</u>	<u>20,381,471</u>

**18 NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Year ended 30 June 1997 £	12 months ended 30 June 1996 £
Operating profit	10,116,079	10,454,495
Depreciation	966,506	899,222
Loss/(profit) on sale of fixed assets	9,427	(9,678)
Write off of fixed asset investments	32,813	-
Decrease in stocks	675,139	4,914,554
Increase in debtors	(2,661,087)	(384,968)
(Decrease)/increase in creditors	(2,391,447)	429,472
Increase in provisions	574,636	264,099
Net cash inflow from continuing operating activities	<u>7,322,066</u>	<u>16,567,196</u>

**19 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	30 June 1997 £	30 June 1996 £
At 1 July 1996	14,840,282	6,968,664
Change in net funds resulting from cash flows	(8,395,136)	7,871,618
At 30 June 1997	<u>6,445,146</u>	<u>14,840,282</u>

**VIGLEN LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 1997****20 ANALYSIS OF CHANGES IN NET FUNDS**

	30 June 1997 £	Cash flow £	30 June 1996 £
Cash at bank and in hand	<u>6,445,146</u>	<u>(8,395,136)</u>	<u>14,840,282</u>

**21 CONTINGENT LIABILITIES**

At 30 June 1997 the company had entered into forward foreign exchange contracts with a sterling equivalent of £1,212,709 (1996: £2,578,658).

There were no other contingent liabilities at 30 June 1997 or 30 June 1996, except as disclosed in note 14.

**22 LEASING COMMITMENTS**

At 30 June 1997 the company had an annual operating lease commitment of £311,400 (1996: £311,400). The operating leases to which these amounts relate expire as follows:

	1997 Land and buildings £	1996 Land and buildings £
In one year or less	3,000	3,000
Between one and five years	<u>308,400</u>	<u>308,400</u>
	<u>311,400</u>	<u>311,400</u>

**23 CAPITAL COMMITMENTS**

	1997 £	1996 £
Authorised but not contracted for	41,600	124,000
Contracted for but not provided in the financial statements	<u>54,000</u>	<u>-</u>
	<u>95,600</u>	<u>124,000</u>

## **VIGLEN LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1997**

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#### **24 CONTROLLING RELATED PARTY**

The directors consider that the ultimate parent undertaking and controlling related party of this company during the year was Amstrad plc, which is registered in England and Wales.

The company has taken advantage of the exemptions conferred by Financial Reporting Standard Number 8, Related Party Transactions, in respect of transactions with group undertakings.

The largest group of undertakings for which group accounts have been drawn up is that headed by Amstrad plc. Copies of the group accounts are available from Viglen House, Alperton Lane, Alperton, Middlesex, HA0 1DX.

On 4 August 1997, the entire share capital of Amstrad plc was acquired by Viglen Technology plc in a corporate restructuring. As of that date, the directors consider that the ultimate parent undertaking and controlling related party is Viglen Technology plc.

The first group accounts for Viglen Technology plc will be for the period ending 30 June 1998.