

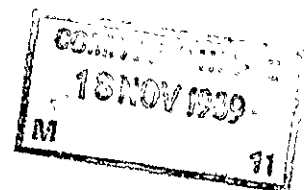
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REGISTRAR OF COMPANIES COPY

MAPLIN ELECTRONICS LIMITED

ACCOUNTS

30TH JUNE 1989

GOLDWYNS
CHARTERED ACCOUNTANTS
RUTLAND HOUSE
90/92 BAXTER AVENUE
SOUTHEND-ON-SEA
ESSEX SS2 6HZ



MAPLIN ELECTRONICS PLC
(FORMERLY MAPLIN ELECTRONIC SUPPLIES LIMITED)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1989

MAPLIN ELECTRONICS PLC

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MAPLIN ELECTRONICS PLC

COMPANY INFORMATION

DIRECTORS:

R. L. ALLEN
S. W. ALLEN
D. M. SIMMONS
D. SNOAD
R. PARKER

SECRETARY:

J. C. FAWCETT

TRADING ADDRESS:

MAPLIN COMPLEX,
OAK ROAD SOUTH,
BENFLEET,
ESSEX. SS7 2BB.

JOINT AUDITORS:

GOLDWYNS
CHARTERED ACCOUNTANTS
RUTLAND HOUSE
90/92 BAXTER AVENUE
SOUTHEND-ON-SEA
ESSEX. SS2 6HZ

PANNELL KERR FORSTER
NEW GARDEN HOUSE
78 HATTON GARDEN
LONDON. EC1N 8JA

MAPLIN ELECTRONICS PLC

REPORT OF THE DIRECTORS

The directors present their report together with the financial statements of the company for the year ended 30 June 1989.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review continued to be mail order and retail distribution of electronic components and kits.

REVIEW OF BUSINESS

The results for the year, position of the company and recommended transfer to reserves are as shown in the financial statements.

During the year under review, Maplin opened three new retail outlets at Leeds, Nottingham and Edgware in North London, bringing the total number of shops to nine.

CHANGE OF NAME

On 24 October 1988 the company re-registered as a Public Company. A special resolution to this effect was passed, and the company's name changed from Maplin Electronic Supplies Limited to Maplin Electronics PLC.

DIVIDEND

The directors recommend that no dividend be paid for the year.

MARKET VALUE OF LAND AND BUILDINGS

The difference between the market value and historical cost of land and buildings is as shown in the notes to the financial statements.

FIXED ASSETS

Significant changes in fixed assets during the year are summarised in the notes to the financial statements.

FUTURE DEVELOPMENTS

The company's consistent expansion in turnover has exhausted the capacity of existing warehouse space at Benfleet in Essex. The directors are of the opinion that the level of turnover sustainable in the future justifies the construction of a new distribution centre at Wombwell in South Yorkshire, at a cost of £1.5 million, of which £830,000 has been reflected in the attached financial statements.

The centre commenced trading on 2 October 1989, replacing the warehouse in Essex. The directors believe that the future benefits from this project will far outweigh the redundancy and relocation costs that have been incurred.

This relocation should enable the company to meet the challenge of a single market after 1992, and to continue the policy of retail expansion through the introduction of a further twenty outlets over the next four years.

MAPLIN ELECTRONICS PLC

REPORT OF THE DIRECTORS

POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the company's authorised share capital was increased on 21 July 1989 from £50,000 to £73,660, by the creation of 3,660 Ordinary Shares of £1 each and 20,000 Cumulative Convertible Voting Participating Preference Shares of £1 each, ("Preference Shares").

The Preference Shares were immediately issued for cash at a price of £25 per share. The purpose of this increase in share capital was to assist in the finance of the new distribution centre at Wombwell.

On the same date, 12,000 £1 Ordinary Shares were converted to and redesignated as 12,000 £1 Preference Shares, these being transferred to Founders Court Nominees Limited.

On 21 July 1989, the company acquired 50% of the issued share capital of Inline Design Systems Limited, a connected company whose business consists of typesetting and typographic design.

DIRECTORS

The directors in office during the year, and the beneficial interests of the directors and their families in the issued share capital of the company were as follows:

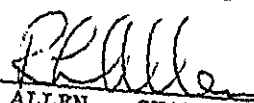
Name	Class of Capital	30.6.1989	1.7.1988
R.L. Allen	Ordinary £1	22,390	22,500
S.W. Allen	Ordinary £1	5,000	5,000
D.M. Simmons	Ordinary £1	22,410	22,500
D.M. Snoad		-	-

Mr R. Parker was appointed as a non-executive director of the company on 21 July 1989.

AUDITORS

A resolution to re-appoint Pannell Kerr Forster and Goldwyns as joint auditors will be put to the members at the Annual General Meeting.

SIGNED ON BEHALF OF THE BOARD


R.L. ALLEN - CHAIRMAN

Date 20/10/89

AUDITORS' REPORT

TO THE MEMBERS OF
MAPLIN ELECTRONICS PLC

We have audited the financial statements on pages five to seventeen.
Our audit was conducted in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of
the state of the Company's affairs at 30 June 1989 and of its profit
and source and application of funds for the year then ended and have
been properly prepared in accordance with the Companies Act 1985.

RUTLAND HOUSE
90/92 BAXTER AVENUE
SOUTHEND-ON-SEA
ESSEX. SS2 6HZ

NEW GARDEN HOUSE
78 HATTON GARDEN
LONDON. EC1N 8JA

GOLDWYNS
GOLDWYNS
CHARTERED ACCOUNTANTS

Pannell Kerr Forster
PANNELL KERR FORSTER
CHARTERED ACCOUNTANTS

Dated 20 October 1989

MAPLIN ELECTRONICS PLC

PROFIT AND LOSS ACCOUNT for the Year Ended 30 June 1989

	Notes	1989		1988	
		£	£	£	£
TURNOVER	2	10,208,706		8,413,645	
Cost of Sales		8,081,707		6,653,227	
GROSS PROFIT		2,126,999		1,760,418	
Distribution Costs		371,738		301,205	
Administrative Expenses		687,849		579,680	
Other Operating Charges		381,105		299,748	
		1,440,692		1,180,633	
Other Operating Income	3	686,307		579,785	
		4,907		6,340	
OPERATING PROFIT	5	691,214		586,125	
Interest Payable	6	223,323		127,769	
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		467,891		458,356	
Tax on Profit on Ordinary Activities	7	155,473		108,932	
PROFIT FOR THE YEAR		312,418		349,424	
Dividends	8	-		40,000	
		312,418		309,424	
Retained Profit brought forward		1,055,301		765,031	
Capitalisation of Reserves		-		(20,038)	
Depreciation of Revaluation Surplus	16	2,926		884	
		1,058,227		745,877	
Retained Profit carried forward		£1,370,645		£1,055,301	

The notes form part of these financial statements

MAPLIN ELECTRONICS PLC

BALANCE SHEET As at 30 June 1989

		1989		1988	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible Assets	9		2,677,261		1,470,414
CURRENT ASSETS:					
Stocks	10	2,831,792		2,213,873	
Debtors	11	834,689		530,748	
Cash at Bank and In Hand		5,269		776,507	
		3,671,750		3,521,128	
Creditors: Amounts falling due within one year	12	3,834,495		3,234,689	
NET CURRENT (LIABILITIES)/ASSETS			(162,745)		286,439
TOTAL ASSETS LESS CURRENT LIABILITIES			2,514,516		1,756,853
Creditors: Amounts falling due after more than one year					
Bank Loan	13	599,380		231,250	
Directors' Current Account		73,847		-	
Obligations under Hire Purchase Contracts	14	100,453		97,185	
			773,680		328,435
			£1,740,836		£1,428,418
CAPITAL AND RESERVES:					
Share Capital	15		50,000		50,000
Revaluation Reserve	16		320,191		323,117
Profit & Loss Account			1,370,645		1,055,301
			£1,740,836		£1,428,418

R.L. ALLEN.....

D.M. SNOAD.....

) DIRECTORS

Dated: 20/10/89...

The notes form part of these financial statements

MAPLIN ELECTRONICS PLC

SOURCE AND APPLICATION OF FUNDS for the Year Ended 30 June 1989

	1989		1988	
	£	£	£	£
SOURCE OF FUNDS:				
Profit before Taxation	467,891		458,356	
Adjustment for items not involving the movement of funds:				
Depreciation	157,349		119,521	
Loss/(Profit) on Disposal of Fixed Assets	228		(140)	
Total generated from operations		625,468		577,737
Funds from other sources:				
Bank Loan	368,130		-	
Sale of Fixed Assets	9,450		17,725	
Hire Purchase Contracts	3,268		65,124	
Directors' Current Account	73,847		-	
		454,695		82,849
		1,080,163		660,586
APPLICATION OF FUNDS:				
Bank Loan Repayment	-		25,000	
Purchase of Fixed Assets	1,373,874		391,728	
Taxation paid	143,568		162,105	
Dividend paid	-		40,000	
		1,517,442		618,833
		£(437,279)		£41,753
		=====		=====
(DECREASE)/INCREASE IN WORKING CAPITAL:				
Stocks	617,919		728,795	
Debtors	303,941		144,764	
Creditors	(85,050)		(98,854)	
Hire Purchase Contracts	(1,951)		(36,806)	
		834,859		737,899
Movement in Net Liquid Funds:				
Cash at Bank	(1,273,326)		(698,376)	
Cash in Hand	1,188		2,230	
		(1,272,138)		(696,146)
		£(437,279)		£41,753
		=====		=====

The notes form part of these financial statements

HAPLIN ELECTRONICS PIC

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 1989**

1. ACCOUNTING POLICIES

Basis of Accounting:

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover:

Turnover represents net invoiced sales of goods, excluding value added tax.

Depreciation:

No depreciation is provided on freehold land or assets in the course of construction.

For all other assets, depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value of each asset over its expected useful life, as follows:

Freehold Buildings	- 2% per annum
Short Leasehold Property	- over the remaining period of the lease
Improvements to Property	- over the remaining period of the lease
Fixtures & Fittings	- 15% on reducing balance
Motor Vehicles	- 25% on reducing balance
Computer Equipment	- 25% on reducing balance

Stocks:

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Deferred Taxation:

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire Purchase Commitments:

Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account on a straight-line basis over the period of the contracts.

The costs of operating leases are charged to the profit and loss account as they accrue.

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 1989

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	1989 £	1988 £
Inland Sales	9,891,932	8,118,898
Export Sales	316,774	294,747
	-----	-----
	10,208,706	8,413,645
	=====	=====

3. OTHER OPERATING INCOME

	1989 £	1988 £
Rents Receivable	4,907	-
Compensation	-	6,340
	-----	-----
	4,907	6,340
	=====	=====

4. STAFF COSTS

	1989 £	1988 £
Wages and Salaries	1,825,185	1,447,208
National Insurance	117,817	86,229
Pension Costs	52,994	64,628
	-----	-----
	1,995,996	1,598,065
	=====	=====

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

	1989 No.	1988 No.
Office and Management	86	76
Production and Sales	111	109
	===	===

5. OPERATING PROFIT

a) The operating profit is stated after charging:

	1989 £	1988 £
Directors' Remuneration (See below)	128,946	85,331
Depreciation	157,349	119,521
Loss/(Profit) on Disposal of Fixed Assets	228	(140)
Auditors' Remuneration	13,500	10,000
Operating Lease Rentals:		
Hire of Plant and Machinery	3,831	2,577
Other, including Short Leasehold Property	109,393	78,449
	=====	=====

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 1989

b) Directors Emoluments are made up as follows:

Fees	112,644	75,863
Other, including Pension Contributions	16,302	9,468
	-----	-----
	128,946	85,331
	=====	=====

The emoluments of the chairman, excluding pension contributions, were £49,462 (1988: £17,638). Other directors' emoluments, excluding pension contributions, fell within the following ranges:

	1989	1988
	No.	No.
£15,001 - £20,000	-	2
£20,001 - £25,000	2	-
£25,001 - £30,000	1	-
	==	==

6. INTEREST PAYABLE

	1989	1988
	£	£
On bank loans repayable wholly or in part after five years	45,997	35,426
On loans repayable within five years:		
Bank loans and overdrafts	149,217	73,718
Hire purchase contracts	21,753	18,625
Other loans	6,356	-
	-----	-----
	223,323	127,769
	=====	=====

7. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1989	1988
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax at current marginal rates	155,473	152,814
Underprovision in previous years	-	403
Deferred Taxation	-	(44,285)
	-----	-----
	155,473	108,932
	=====	=====

The charge for the year has been increased by expenditure not allowable for taxation.

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 1989

8. DIVIDENDS

	1989	1988
	£	£
Dividend - interim paid	-	40,000
	=====	=====

9. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Short- Leasehold Property	Assets in course of Construction	Improvem- ents to Property
	£	£	£	£
COST OR VALUATION:				
As at 1 July 1988	786,000	50,848	-	54,066
Additions	96,997	17,734	829,423	126,694
	-----	-----	-----	-----
	882,997	68,582	829,423	180,760
	-----	-----	-----	-----
DEPRECIATION:				
As at 1 July 1988	1,220	4,557	-	14,978
Charge for Year	5,933	3,004	-	6,456
	-----	-----	-----	-----
	7,153	7,561	-	21,434
	-----	-----	-----	-----
NET BOOK VALUES:				
As at 1 July 1988	784,780	46,291	-	39,088
	=====	=====	=====	=====
As at 30 June 1989	875,844	61,021	829,423	159,326
	=====	=====	=====	=====

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 1989

	Fixtures & Fittings	Motor Vehicles	Computer Equipment	Totals
	£	£	£	£
COST OR VALUATION				
As at 1 July 1988	459,967	136,108	291,646	1,778,635
Additions	148,682	53,672	100,672	1,373,874
Disposals	(1,700)	(24,359)	-	(26,059)
	606,949	165,421	392,318	3,126,450
DEPRECIATION:				
As at 1 July 1988	141,676	43,942	101,848	308,221
Charge for Year	60,518	25,417	56,021	157,349
Eliminated on Disposals	(718)	(15,663)	-	(16,381)
	201,476	53,696	157,869	449,189
NET BOOK VALUES:				
As at 1 July 1988	318,291	92,166	189,798	1,470,414
As at 30 June 1989	405,473	111,725	234,449	2,677,261

The freehold land and buildings comprise:

Additions at Cost	96,997
1988 Valuation	725,000
1987 Valuation	61,000
	£882,997

If they had not been revalued, they would be included in the accounts at the following amounts:

Cost	£558,996
Accumulated Depreciation	£3,343

If the land and buildings were sold, a tax liability of £81,869 would arise.

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 1989

Fixed assets held under Hire Purchase Contracts are as follows:

	Fixtures & Fittings	Motor Vehicles	Computer Equipment	Totals
	£	£	£	£
COST:				
As at 1 July 1988	42,841	105,535	115,967	264,343
Additions	-	53,672	30,135	83,807
Disposals	-	(10,950)	-	(10,950)
	42,841	148,257	146,102	337,200
DEPRECIATION:				
As at 1 July 1988	9,383	26,424	32,492	68,299
Charge for Year	5,019	22,217	22,907	50,143
Eliminated on Disposals	-	(4,605)	-	(4,605)
	14,402	44,036	55,399	113,837
NET BOOK VALUES:				
As at 1 July 1988	£33,458	£79,111	£83,475	£196,044
As at 30 June 1989	£28,439	£104,221	£90,703	£223,363

10. STOCKS

	1989	1988
	£	£
Finished Goods	2,831,792	2,213,873

11. DEBTORS

	1989	1988
	£	£
Trade Debtors	530,073	495,425
Other Debtors	244,782	14,667
Prepayments	59,834	20,656
	834,689	530,748

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 1989

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1989	1988
	£	£
Trade Creditors	968,050	765,855
Other Taxes and Social Security Costs	59,678	138,622
Other Creditors	87,795	174,287
Accrued Expenses	92,084	27,692
Payments Received on Account	21,420	47,007
Customer Credits	88,294	78,808
Hire Purchase Contracts (See Note 14)	67,291	65,340
	-----	-----
	1,384,612	1,297,611
Bank Loans and Overdrafts (See Note 13)	2,294,410	1,793,510
Taxation	155,473	143,568
	-----	-----
	3,834,495	3,234,689
	=====	=====

13. BANK LOANS AND OVERDRAFTS

The aggregate amount of bank loans and overdrafts was as follows:

	1989	1988
	£	£
(a) Falling due within one year		
Bank Overdraft	2,269,410	1,768,510
Bank Loan - current portion	25,000	25,000
	-----	-----
	2,294,410	1,793,510
	-----	-----
(b) Falling due after more than one year		
Bank Loans repayable		
- within five years	160,000	100,000
- after five years	439,380	131,250
	-----	-----
	599,380	231,250
	-----	-----
Aggregate amounts	2,893,790	2,024,760
	=====	=====

The bank overdraft is secured by a legal charge over the company's freehold property, and an equitable charge by virtue of a debenture over the company's leasehold property.

There are two loans in existence at the balance sheet date:

Loan No.1

Repayable in monthly instalments of £2,083 and bearing interest at 2% over base rate. The loan is secured by a legal charge over the Freehold Land and Buildings situated at Oak Road South, Benfleet, Essex and at 284 London Road, Westcliff-on-Sea, Essex.

Loan No.2

Repayable in eight half-yearly instalments of £62,500 commencing October 1993 and bearing interest at 7% per annum, after rebates. The loan is secured by a legal charge over the Freehold Land and Buildings situated at Valley Road, Wombwell, South Yorkshire.

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 1989

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	£
Year ending:	
30 June 1990	73,497
30 June 1991	45,630
30 June 1992	41,105
30 June 1993	9,671
30 June 1994	5,400
	<hr/>
	175,303
Less: Finance Charges allocated to future periods	7,559
	<hr/>
	167,744
	<hr/>

Hire Purchase Contracts
shown as:

	£
Current obligations	67,291
Non-current obligations	100,453
	<hr/>
	167,744
	<hr/>

15. CALLED UP SHARE CAPITAL

	1989	1988
	£	£
Authorised:		
Number: Class: Nominal Value:		
50,000 Ordinary £1	50,000	50,000
	<hr/>	<hr/>
Allotted, issued and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000
	<hr/>	<hr/>

16. REVALUATION RESERVE

	1989	1988
	£	£
At 1st July, 1988	323,117	204,902
Arising on revaluation during the year	-	119,099
Depreciation for the year	(2,926)	(884)
	<hr/>	<hr/>
	320,191	323,117
	<hr/>	<hr/>

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 1989

17. CONTINGENT LIABILITIES

- a) There is a contingent liability in respect of a £70,000 duty deferment bond to Customs and Excise.
- b) The company has guaranteed the overdraft of Inline Design Systems Limited (a connected company). The overdraft at 30 June 1989 amounted to £12,872.

18. CAPITAL COMMITMENTS

	1989 £	1988 £
Contracted but not provided for	633,500	-
Authorised by the directors but not contracted for	153,000	-
	-----	-----
	786,500	-
	=====	=====

19. FINANCIAL COMMITMENTS UNDER OPERATING LEASES

At 30 June 1989 the company had the following annual commitments under non-cancellable operating leases:

	1989 £	1988 £
Operating leases which expire:		
Within one year	17,750	-
In the second to fifth years	4,800	17,750
Over five years	121,392	57,300
	-----	-----
	143,942	75,050
	=====	=====

All of the above operating leases are in respect of short-term leasehold property and are subject to rent reviews at periodic intervals ranging between three and five years.

20. PENSION COMMITMENTS

The company has a fully-insured pension scheme for its present directors and employees. Premiums paid to this scheme amounted to:

	1989 £	1988 £
Present Directors	6,652	3,687
Employees	46,342	60,941
	-----	-----
	52,994	64,628
	=====	=====

MAPLIN ELECTRONICS PLC

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 1989

21. POST BALANCE SHEET EVENTS

On 21 July 1989 the authorised share capital of the company was increased, by means of a Special Resolution, to £73,660 by the creation of 3,660 Ordinary Shares of £1 each and 20,000 Cumulative Convertible Voting Participating Preference Shares of £1 each, ("Preference Shares").

The Preference Shares were immediately issued for cash at a price of £25 per share. The purpose of this increase in share capital was to assist in the finance of the new distribution centre at Wombwell.

On the same date, 12,000 £1 Ordinary Shares were converted to and redesignated as 12,000 £1 Preference Shares, these being transferred to Founders Court Nominees Limited.

On 21 July 1989, the company acquired 50% of the issued share capital of Inline Design Systems Limited, a connected company whose business consists of typesetting and typographic design.