

REGISTERED NUMBER: 1289680 (England and Wales)

Abbreviated Financial Statements

for the Year Ended 30 June 1998

for

Micronics Limited



Micronics Limited

Index to the Abbreviated Financial Statements  
for the Year Ended 30 June 1998

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

Micronics Limited

Company Information  
for the Year Ended 30 June 1998

**DIRECTORS:**

E J Farnon  
S J Farnon  
M A Farnon

**SECRETARY:**

E J Farnon

**REGISTERED OFFICE:**

Unit B3  
Knaves Beech Business Centre  
Davies Way, Loudwater  
High Wycombe  
Buckinghamshire  
HP10 4QY

**REGISTERED NUMBER:**

1289680 (England and Wales)

**AUDITORS:**

Kirkpatrick & Hopes  
Registered Auditors  
Overdene House  
49 Church Street  
Theale  
Reading  
RG7 5BX

Micronics Limited

Report of the Auditors to

Micronics Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 30 June 1998 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.



Kirkpatrick & Hopes  
Registered Auditors  
Overdene House  
49 Church Street  
Theale  
Reading  
RG7 5BX

Dated: 10 November 1998

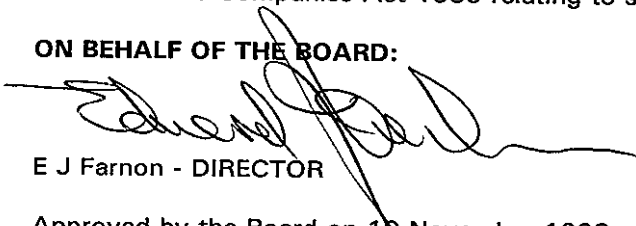
Micronics Limited

Abbreviated Balance Sheet  
30 June 1998

		30.6.98		30.6.97	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	2		77,571		78,127
Tangible assets	3		63,642		57,654
			<u>141,213</u>		<u>135,781</u>
<b>CURRENT ASSETS:</b>					
Stocks		229,321		174,192	
Debtors		274,385		202,269	
Cash at bank and in hand		601		2,666	
		<u>504,307</u>		<u>379,127</u>	
<b>CREDITORS:</b> Amounts falling due within one year	4	503,718		361,082	
<b>NET CURRENT ASSETS:</b>			589		18,045
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>141,802</u>		<u>153,826</u>
<b>CREDITORS:</b> Amounts falling due after more than one year	4		11,755		27,000
			<u>£130,047</u>		<u>£126,826</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	5		160,001		160,001
Profit and loss account			(29,954)		(33,175)
Shareholders' funds			<u>£130,047</u>		<u>£126,826</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
E J Farnon - DIRECTOR

Approved by the Board on 10 November 1998

The notes form part of these financial statements

Micronics Limited

Notes to the Abbreviated Financial Statements  
for the Year Ended 30 June 1998

1. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Demonstration equipment	- 33% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 33% 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.

Due to the nature of the company's business it is not considered meaningful to categorise stock between components and finished goods, a combined figure is therefore shown in the accounts.

**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 and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Micronics Limited

Notes to the Abbreviated Financial Statements  
for the Year Ended 30 June 1998

1. **ACCOUNTING POLICIES - continued**

**Research & development**

The company has for the last three years embarked upon a program of development to construct a new prototype for its current flowmeter product.

The cost of labour and materials relating to this project have been capitalised and are being written off over a period of five years which is the expected life of the project.

Expenditure incurred on pure and applied research is written off in the year the cost was incurred.

2. **INTANGIBLE FIXED ASSETS**

	Total
	£
<b>COST:</b>	
At 1 July 1997	97,659
Additions	23,720
At 30 June 1998	121,379
<b>AMORTISATION:</b>	
At 1 July 1997	19,532
Charge for year	24,276
At 30 June 1998	43,808
<b>NET BOOK VALUE:</b>	
At 30 June 1998	77,571
At 30 June 1997	78,127

3. **TANGIBLE FIXED ASSETS**

	Total
	£
<b>COST:</b>	
At 1 July 1997	161,411
Additions	23,067
At 30 June 1998	184,478
<b>DEPRECIATION:</b>	
At 1 July 1997	103,757
Charge for year	17,079
At 30 June 1998	120,836
<b>NET BOOK VALUE:</b>	
At 30 June 1998	63,642
At 30 June 1997	57,654

Micronics Limited

Notes to the Abbreviated Financial Statements  
for the Year Ended 30 June 1998

4. **CREDITORS**

The following secured debts are included within creditors:

	30.6.98	30.6.97
	£	£
Bank overdrafts	85,379	34,679
Bank loans	30,908	51,000
Factoring account	139,688	71,862
Hire purchase contracts	9,048	-
	<u>265,023</u>	<u>157,541</u>

5. **CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	30.6.98	30.6.97
		£1	£	£
250,000	Ordinary shares		<u>250,000</u>	<u>250,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.98	30.6.97
		£1	£	£
160,001	Ordinary shares		<u>160,001</u>	<u>160,001</u>