

**SILICONPAK LIMITED**

**(Registered Number 1729156)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FIFTEEN MONTHS ENDED 31 DECEMBER 1995**



## **SILICONPAK LIMITED**

### **DIRECTORS' REPORT FOR THE FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

The directors present their report with the audited financial statements for the fifteen months ended 31 December 1995.

#### **1. RESULTS AND DIVIDENDS**

The profit for the period, after taxation, amounted to £274,223. The Directors do not recommend the payment of a final dividend. An interim dividend was paid of £56,000 leaving a retained profit of £218,223.

#### **2. REVIEW OF THE BUSINESS**

The company's principal activity during the period continued to be the manufacture of silicon based packaging.

#### **3. FIXED ASSETS**

Movements in fixed assets are shown in note 7 to the financial statements.

#### **4. DIRECTORS AND THEIR INTERESTS**

The directors who served during the period are as follows :

D J Charity  
E R Coles

No director had any interest in the shares of the company during the period.

#### **5. DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial period 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.

**SILICONPAK LIMITED**

**DIRECTORS' REPORT FOR THE FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

**5. DIRECTORS RESPONSIBILITIES continued**

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.

This report was approved by the board on 16 August 1996

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'K A Shaw', written over a horizontal line.

K A SHAW  
Company Secretary  
16 August 1996

## **SILICONPAK LIMITED**

### **AUDITOR'S REPORT TO THE MEMBERS OF SILICONPAK LIMITED**

I have audited the financial statements on Pages 5 to 12 which have been prepared under the historical cost convention, and the accounting policies set out on Page 8.

#### **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 my responsibility to form an independent opinion, based on my audit, on those financial statements and to report my opinion to you.

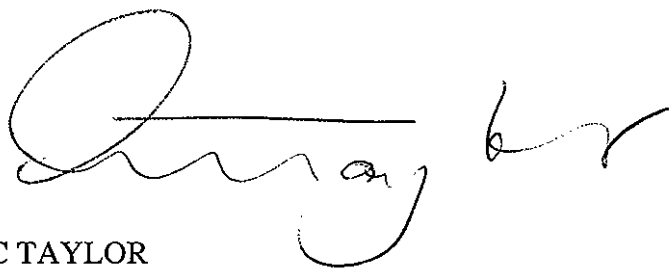
#### **Basis of opinion**

I conducted my 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In my opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 1995 and of its profit for the fifteen month period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'R C Taylor', with a large loop at the end.

**R C TAYLOR**  
Chartered Accountant  
Registered Auditor  
Belper  
16 August 1996

**SILICONPAK LIMITED****PROFIT AND LOSS ACCOUNT****FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

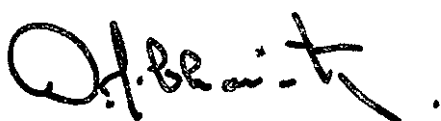
	Notes	15 months ended 31 December 1995 £	12 months ended 30 September 1994 £
TURNOVER		2,148,007	1,511,585
COST OF SALES		<u>1,495,760</u>	<u>1,018,753</u>
GROSS PROFIT		652,247	492,832
DISTRIBUTION COSTS		49,148	41,616
ADMINISTRATIVE EXPENSES		<u>199,999</u>	<u>159,307</u>
OPERATING PROFIT		403,100	291,909
LOSS ON DISPOSAL OF FIXED ASSETS		8,190	-
INTEREST RECEIVABLE		5,936	3,809
INTEREST PAYABLE		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	400,846	295,718
TAX ON PROFIT ON ORDINARY ACTIVITIES	5	<u>126,623</u>	<u>84,324</u>
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		274,223	211,394
DIVIDEND	6	<u>56,000</u>	<u>160,000</u>
RETAINED PROFIT FOR PERIOD		218,223	51,394
RETAINED PROFIT AT 1 OCTOBER 1994		<u>161,832</u>	<u>110,438</u>
RETAINED PROFIT AT 31 DECEMBER 1995		<u>380,055</u>	<u>161,832</u>

There were no recognised gains or losses other than those included in the profit and loss account.

**SILICONPAK LIMITED****BALANCE SHEET - 31 DECEMBER 1995**

	Notes	31 December 1995	30 September 1994
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	7	181,192	54,298
<b>CURRENT ASSETS</b>			
Stocks	8	142,228	82,915
Debtors	9	283,580	309,067
Cash at Bank and in Hand		<u>138,910</u>	<u>166,612</u>
		564,718	558,594
<b>CREDITORS - Amounts falling due within one year</b>	10	<u>365,755</u>	<u>450,960</u>
<b>NET CURRENT ASSETS</b>		<u>198,963</u>	<u>107,634</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>380,155</u>	<u>161,932</u>
<b>CAPITAL &amp; RESERVES</b>			
Called up share capital	11	100	100
Profit and loss account		<u>380,055</u>	<u>161,832</u>
		<u>380,155</u>	<u>161,932</u>

Approved by the Board on 16 August 1996  
and signed on its behalf by



D.J.CHARITY (Director)

**SILICONPAK LIMITED**

**CASH FLOW STATEMENT**

**FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

	15 months ended 31 December 1995		12 months ended 30 September 1994	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES - (Note 14)		422,949		250,369
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest Received		5,936		3,809
Dividends Paid		(216,000)		-
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(210,064)		3,809
		212,885		254,178
TAXATION				
UK Corporation Tax		(77,624)		(56,324)
INVESTING ACTIVITIES				
Purchase of tangible fixed assets		(161,870)		(17,271)
Sale of tangible fixed assets		4,750		-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(157,120)		(17,271)
NET CASH INFLOW / (OUTFLOW) BEFORE FINANCING		(21,859)		180,583
FINANCING				
Group Loans		-		(90,329)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (NOTE 15)		(21,859)		90,254

# **SILICONPAK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

#### **1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following accounting policies have been applied :-

##### **Turnover**

Turnover represents sales to external customers at invoiced amount less value added tax. All turnover arises from continuing activities.

##### **Tangible fixed assets**

Tangible fixed assets are depreciated by equal annual instalments over their estimated useful lives :-

Plant and machinery	- over 3 to 10 years
Fixtures and Fittings	- over 10 years
Motor vehicles	- over 4 years

##### **Stocks**

Stock is stated at the lower of cost and net realisable value using the first in first out method. Cost comprises of direct materials and labour costs. Net realisable value is the estimated selling price reduced by any further costs expected to be incurred to completion and disposal.

##### **Deferred taxation**

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

##### **Foreign currency transactions**

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances denominated in a foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date. Exchange differences are recognised in the profit and loss account.

##### **Operating Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

##### **Pensions**

Pension costs in respect of defined contributions are charged to revenue as incurred.

#### **2. CHANGE IN ACCOUNTING REFERENCE DATE**

Following the change in the company's accounting reference date from 30 September to 31 December, these accounts cover the fifteen month period to 31 December 1995. The comparative figures relate to the twelve months to 30 September 1994.



# SILICONPAK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FIFTEEN MONTHS ENDED 31 DECEMBER 1995

	15 months ended 31 December1995 Number	12 months ended 30 September1994 Number
<b>2. STAFF NUMBERS AND COST</b>		
The average number of employees during the period was as follows :-		
Production	41	40
Management and administration	<u>3</u>	<u>3</u>
	<u>44</u>	<u>43</u>
	£	£
The staff costs were as follows :		
Wages and salaries	338,182	264,330
Social security costs	25,101	18,821
Other pension costs	<u>11,830</u>	<u>8,834</u>
	<u>375,113</u>	<u>291,985</u>
<b>3. DIRECTORS EMOLUMENTS</b>		
Emoluments including pension contributions	<u>77,224</u>	<u>67,889</u>
Emoluments, excluding pension contributions of :-		
Chairman	-	-
Highest paid director	<u>74,029</u>	<u>65,703</u>
<b>4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible assets	22,036	13,855
Auditors remuneration	3,150	2,520
Operating lease rentals - land and buildings	<u>82,843</u>	<u>52,290</u>
<b>5. TAX ON PROFIT ON ORDINARY ACTIVITIES</b>		
Corporation tax on the profit for the period at 30.6% (1994 - 26%)	127,000	78,000
Adjustment for prior years	(377)	6,324
Deferred taxation	<u>-</u>	<u>-</u>
	<u>126,623</u>	<u>84,324</u>

No provision has been made for deferred taxation since all material timing differences are expected to continue for the foreseeable future. The potential liability to tax of £3545 (1994 - £1775) relates to accelerated capital allowances.

**SILICONPAK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FIFTEEN MONTHS ENDED 31 DECEMBER 1995**

	15 months ended 31 December 1995	12 months ended 30 September 1994
<b>6. DIVIDENDS</b>		
Interim Paid	56,000	-
Proposed final dividend	<u>-</u>	<u>160,000</u>
	<u>56,000</u>	<u>160,000</u>

**7. TANGIBLE FIXED ASSETS**

	Fixtures and Fittings £	Plant and Machinery and Equipment £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 October 1994	16,445	70,715	17,850	105,010
Additions	79,917	61,282	20,671	161,870
Disposals	(16,445)	<u>-</u>	(17,850)	(34,295)
At 31 December 1995	<u>79,917</u>	<u>131,997</u>	<u>20,671</u>	<u>232,585</u>
<b>DEPRECIATION</b>				
At 1 October 1994	9,251	36,626	4,835	50,712
Charge for the period	4,061	12,338	5,637	22,036
Disposals	(11,314)	<u>-</u>	(10,041)	(21,355)
At 31 December 1995	<u>1,998</u>	<u>48,964</u>	<u>431</u>	<u>51,393</u>
<b>NET BOOK AMOUNTS</b>				
At 31 December 1995	<u>77,919</u>	<u>83,033</u>	<u>20,240</u>	<u>181,192</u>
At 30 September 1993	<u>7,194</u>	<u>34,089</u>	<u>13,015</u>	<u>54,298</u>

**8. STOCKS**

	31 December 1995 £	30 September 1994 £
Raw Materials	94,832	43,465
Work in progress	19,153	34,262
Finished goods	<u>28,243</u>	<u>5,188</u>
	<u>142,228</u>	<u>82,915</u>

# SILICONPAK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FIFTEEN MONTHS ENDED 31 DECEMBER 1995

	31 December 1995 £	30 September 1994 £
<b>9. DEBTORS</b>		
Trade Debtors	199,814	279,519
Amounts owed by group companies	2,807	3,865
Other Debtors	5,792	432
Prepayments and accrued income	<u>75,167</u>	<u>25,251</u>
	<u>283,580</u>	<u>309,067</u>
<b>10. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank overdraft	-	5,843
Trade Creditors	166,332	108,531
Corporation Tax	127,000	78,000
Other taxation and social security	9,944	24,672
Amounts owed to group companies	22,785	24,906
Accruals and deferred income	39,694	49,008
Proposed dividend	<u>-</u>	<u>160,000</u>
	<u>365,755</u>	<u>450,960</u>
<b>11. CALLED UP SHARE CAPITAL</b>		
Authorised, allocated, called up and fully paid:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>12. LEASING COMMITMENTS</b>		

Annual commitments under non-cancellable operating leases were as follows :

	Land & Buildings		Other	
	31.12.1995	30.09.1994	31.12.1995	30.09.1994
Operating leases which expire:				
- within one year	-	37,333	-	-
- within two to five years	-	-	-	-
- in over five years	<u>93,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>93,000</u>	<u>37,333</u>	<u>-</u>	<u>-</u>

# SILICONPAK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FIFTEEN MONTHS ENDED 31 DECEMBER 1995

#### 13. CAPITAL COMMITMENTS

There were no capital commitments at 31 December 1995 (30 September 1994 - none)

#### 14. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	15 months ended 31 December 1995	12 months ended 30 September 1994
	£	£
Operating profit	403,100	291,909
Depreciation	22,036	13,855
Decrease (Increase) in stocks	(59,313)	13,777
(Increase) Decrease in debtors	25,487	(72,502)
(Decrease) Increase in creditors	<u>31,639</u>	<u>3,330</u>
Net cash inflow (outflow) from operating activities	<u>422,949</u>	<u>250,369</u>

#### 15. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	Cash £	Overdraft £	Net £
Balance at 1 October 1993	79,113	(8,598)	70,515
Net cash inflow	<u>87,499</u>	<u>2,755</u>	<u>90,254</u>
Balance at 1 October 1994	166,612	(5,843)	160,769
Net cash inflow (outflow)	<u>(27,702)</u>	<u>5,843</u>	<u>(21,859)</u>
Balance at 31 December 1995	<u>138,910</u>	<u>-</u>	<u>138,910</u>

16. The company's ultimate parent company is Charapak Limited, a company registered in England and Wales.

#### 17. RELATED PARTIES

On 25 September 1995 the company entered into an agreement for lease of land and premises, from which it now operates, with the Trustees of Charapak Limited Directors Plan of which Mr. D. J. Charity is the sole member and also a trustee. The lease is for a term of 15 years commencing 25 September 1995 at an initial yearly rent of £93,000.