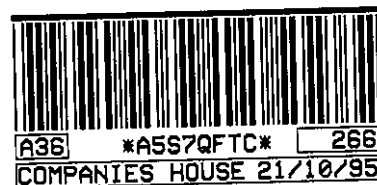


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ELECTRONIC MICRO SYSTEMS LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 1994

Registered number: 1785712



MOORE STEPHENS

CHARTERED ACCOUNTANTS

ELECTRONIC MICRO SYSTEMS LIMITED

FINANCIAL STATEMENTS

for the year ended 31st December 1994

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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ELECTRONIC MICRO SYSTEMS LIMITED

COMPANY INFORMATION

31st December 1994

Incorporated in England and Wales on

Number 1785712

DIRECTORS

P J Guard
Mrs C A Guard
Mrs E J Guard
W G B Guard

SECRETARY

W G B Guard

REGISTERED OFFICE

Unit 11, Batten Road
Downton
Salisbury
Wiltshire

BANKERS

The Royal Bank of Scotland Plc
14 Minster Street
Salisbury
Wiltshire
SP1 1TP

ACCOUNTANTS

Moore Stephens
Chartered Accountants
65 New Street
Salisbury
Wiltshire
SP1 2PH

ELECTRONIC MICRO SYSTEMS LIMITED

DIRECTORS' REPORT

31st December 1994

The directors present their report and the financial statements for the year ended 31st December 1994.

Principal activity

The principal activity of the company is repair and renovation of electronic equipment.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st December 1994 Ordinary shares	1st January 1994 Ordinary shares
P J Guard	95	95
Mrs C A Guard	-	-
Mrs E J Guard	-	-
W G B Guard	5	5

In accordance with the Articles of Association, Mrs C A Guard retires by rotation and offers himself for re-election.

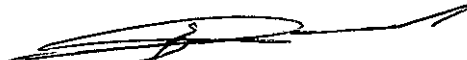
Reporting Accountants

The directors consider that for the year ended 31st December 1994 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Moore Stephens as Reporting Accountants. Their report is shown on page 3 of the financial statements.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board



W G B Guard
Secretary

Unit 11, Batten Road
Downton
Salisbury
Wiltshire

25th September 1995

ELECTRONIC MICRO SYSTEMS LIMITED

ACCOUNTANTS' REPORT

Accountants' report to the members
on the unaudited financial statements of
Electronic Micro Systems Limited

We report on the financial statements for the year ended 31st December 1994 set out on pages 4 to 9.

Respective responsibilities of directors and reporting accountants

As described on page 5 the company's directors are responsible for the preparation of the financial statements, 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 Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements 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 financial statements 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 financial statements 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 financial statements 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).



16th October 1995

Moore Stephens
Reporting Accountants
Salisbury
Wiltshire

ELECTRONIC MICRO SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1994

	Note	1994 £	1993 £
Turnover	2	273,064	185,565
Cost of sales		(141,307)	(74,795)
Gross profit		131,757	110,770
Net operating expenses			
Administrative expenses		(127,266)	(102,063)
Other operating income		3,532	3,450
Profit on ordinary activities before taxation		8,023	12,157
Taxation	5	(1,993)	(3,611)
Profit on ordinary activities after taxation		6,030	8,546
retained for the year	12		

Movements in reserves are shown in note 12.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1994 or 1993 other than the profit for the year.

ELECTRONIC MICRO SYSTEMS LIMITED

BALANCE SHEET

at 31st December 1994

	Note	1994		1993	
		£	£	£	£
Fixed assets					
Tangible assets	6		11,674		11,003
Current assets					
Stocks	7	7,200		4,270	
Debtors	8	22,100		23,586	
Cash at bank and in hand		69,470		72,022	
		<u>98,770</u>		<u>99,878</u>	
Creditors: amounts falling due within one year	9	<u>(65,676)</u>		<u>(72,143)</u>	
Net current assets			<u>33,094</u>		<u>27,735</u>
Total assets less current liabilities			<u><u>44,768</u></u>		<u><u>38,738</u></u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		<u>44,668</u>		<u>38,638</u>
Total shareholders' funds	10		<u><u>44,768</u></u>		<u><u>38,738</u></u>

continued

ELECTRONIC MICRO SYSTEMS LIMITED

BALANCE SHEET
(continued)

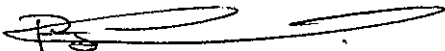
at 31st December 1994

The directors consider that for the year ended 31st December 1994 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 4 to 9 were approved by the board of directors on 25th September 1995.



P J Guard
Director

ELECTRONIC MICRO SYSTEMS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1994

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Fully depreciated.
Freehold buildings	Fully depreciated.
Motor vehicles	25% reducing balance basis.
Fixtures, fittings, plant & equipment	15% reducing balance basis.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

ELECTRONIC MICRO SYSTEMS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1994

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK. (1993 nil)

3 Operating profit

	1994 £	1993 £
Operating profit is stated after crediting		
Interest receivable	3,532	3,450
and after charging		
Loss on sale of assets	802	-
Loss on foreign exchange	90	144
Depreciation of tangible fixed assets (note 6)		
owned assets	2,067	2,067

4 Directors

	1994 £	1993 £
Directors' emoluments	43,466	41,797

Pension costs

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,466 (1993 £6,797). Contributions totalling £0 (1993 £0) were payable to the fund at 31st December 1994 and are included in creditors.

5 Taxation

	1994 £	1993 £
Corporation tax on profit on ordinary activities at 25% (1993 25%)	2,553	3,492
(Over)/under provision in earlier years	(560)	119
	1,993	3,611

ELECTRONIC MICRO SYSTEMS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1994

6 Tangible fixed assets

Cost or valuation	Motor Vehicles £	Fixtures and Fittings £	Land and Buildings £	Total £
1st January 1994	1,900	18,735	2,073	22,708
Additions	-	3,540	-	3,540
Disposals	(1,900)	-	(2,073)	(3,973)
31st December 1994	-	22,275	-	22,275
Depreciation				
1st January 1994	1,098	8,534	2,073	11,705
Charge for year	-	2,067	-	2,067
Disposals	(1,299)	-	(2,073)	(3,372)
31st December 1994	(201)	10,601	-	10,400
Net book amount				
31st December 1994	-	11,674	-	11,674
1st January 1994	802	10,201	-	11,003

7 Stocks

	1994 £	1993 £
Stocks	7,200	4,270

8 Debtors

	1994 £	1993 £
Amounts falling due within one year		
Trade debtors	16,667	20,033
Other debtors	5,433	3,553
	22,100	23,586

NOTES ON FINANCIAL STATEMENTS

31st December 1994

9 Creditors: amounts falling due within one year

	1994 £	1993 £
Bank overdrafts	10,717	139
Trade creditors	20,613	13,735
Other creditors	34,346	58,269
	<u>65,676</u>	<u>72,143</u>

10 Reconciliation of movements in shareholders' funds

	1994 £	1993 £
Profit for the financial year representing a Net addition to shareholders' funds	6,030	8,546
Opening shareholders' funds	<u>38,738</u>	<u>30,192</u>
Closing shareholders' funds	<u>44,768</u>	<u>38,738</u>

11 Called up share capital

	1994		1993	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12 Profit and loss account

	1994 £
1st January 1994	38,638
Retained profit for the year	<u>6,030</u>
31st December 1994	<u>44,668</u>

13 Directors' interests and loans

Included within other creditors are director's current accounts totalling £14,517 (1993 £37,851).