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LINEAR TECHNOLOGY (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

Company Registration Number 2149602 (England and Wales)



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COMPANIES HOUSE 20/07/2006

LINEAR TECHNOLOGY (UK) LIMITED

COMPANY INFORMATION

Directors	P Coghlan D Bell	(Appointed 31 December 2004)
Secretary	P Coghlan	
Company number	2149602	
Registered office	3 The Listons Liston Road Marlow Buckinghamshire	
Accountants	Tenon Limited Clifton House Bunnian Place Basingstoke Hampshire	
Auditors	Tenon Audit Limited Clifton House Bunnian Place Basingstoke Hampshire	
Bankers	Barclays Bank Plc 59 Staines Road West Sunbury-on-Thames	

LINEAR TECHNOLOGY (UK) LIMITED

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LINEAR TECHNOLOGY (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2005

The directors present their report and financial statements for the year ended 30 June 2005.

Principal activities

The principal activity of the company continued to be that of agents for the sale and marketing of high performance standard linear integrated circuits.

Directors

The following directors have held office since 1 July 2004:

P Coghlan	
R Swanson	(Resigned 31 December 2004)
D Bell	(Appointed 31 December 2004)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 June 2005	1 July 2004
P Coghlan	-	-
D Bell	-	-

Auditors

On 28 February 2005 our auditors, Blueprint Audit Limited, changed their name to Tenon Audit Limited and have signed the audit report in their new name.

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

LINEAR TECHNOLOGY (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2005

Directors' responsibilities

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;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements 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 has 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

X 

D Bell

Director

LINEAR TECHNOLOGY (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LINEAR TECHNOLOGY (UK) LIMITED

We have audited the financial statements of Linear Technology (UK) Limited on pages 4 to 10 for the year ended 30 June 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 30 June 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Tenon Audit Limited
Registered Auditor

Date: 17-7-06

Clifton House
Bunnian Place
Basingstoke
Hampshire

LINEAR TECHNOLOGY (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 £	2004 £
Turnover		1,060,894	929,524
Administrative expenses		(986,306)	(885,261)
Operating profit	2	74,588	44,263
Other interest receivable and similar income	3	1,585	947
Profit on ordinary activities before taxation		76,173	45,210
Tax on profit on ordinary activities	4	(22,397)	(11,210)
Profit on ordinary activities after taxation	9	53,776	34,000

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

LINEAR TECHNOLOGY (UK) LIMITED

BALANCE SHEET AS AT 30 JUNE 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		20,024		27,659
Current assets					
Debtors	6	173,990		46,603	
Cash at bank and in hand		16,850		84,115	
		<u>190,840</u>		<u>130,718</u>	
Creditors: amounts falling due within one year	7	<u>(42,459)</u>		<u>(43,748)</u>	
Net current assets			<u>148,381</u>		<u>86,970</u>
Total assets less current liabilities			<u>168,405</u>		<u>114,629</u>
Capital and reserves					
Called up share capital	8	1,000		1,000	
Profit and loss account	9	167,405		113,629	
Shareholders' funds - equity interests	10	<u>168,405</u>		<u>114,629</u>	

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

The financial statements were approved by the Board on 14-7-06

X 
D Bell
Director

LINEAR TECHNOLOGY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable from the ultimate parent company, based on the costs incurred by the company recharged at an 8% mark up. In the previous year, the costs recharge was based on a mark up of 5%.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office improvements	10% Straight line
Fixtures, fittings & equipment	25% Reducing balance
Computer equipment	33% Straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating profit	2005 £	2004 £
Operating profit is stated after charging:		
Depreciation of tangible assets	7,635	8,730
Loss on disposal of tangible assets	-	383
Operating lease rentals	48,002	64,190
Auditors' remuneration	3,000	2,400

LINEAR TECHNOLOGY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2005

3	Investment income	2005	2004
		£	£
	Bank interest	1,508	947
	Other interest	77	-
		<u>1,585</u>	<u>947</u>
4	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	22,397	11,210
	Current tax charge	<u>22,397</u>	<u>11,210</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	76,173	45,210
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 29.00% (2004: 25.00%)	<u>22,090</u>	<u>11,303</u>
	Effects of:		
	Loss on disposals add back	-	96
	Depreciation add back	2,214	2,183
	Capital allowances	(1,644)	(2,480)
	Other tax adjustments	(263)	108
		<u>307</u>	<u>(93)</u>
	Current tax charge	<u>22,397</u>	<u>11,210</u>

LINEAR TECHNOLOGY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2005

5 Tangible fixed assets

	Office improvements £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At 1 July 2004 & at 30 June 2005	25,924	31,771	8,125	65,820
Depreciation				
At 1 July 2004	12,614	21,494	4,053	38,161
Charge for the year	2,592	2,339	2,704	7,635
At 30 June 2005	15,206	23,833	6,757	45,796
Net book value				
At 30 June 2005	10,718	7,938	1,368	20,024
At 30 June 2004	13,310	10,277	4,072	27,659

6 Debtors

	2005 £	2004 £
Amounts owed by parent company	146,349	-
Other debtors	9,921	28,892
Prepayments and accrued income	17,720	17,711
	<u>173,990</u>	<u>46,603</u>

7 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to parent company	-	11,482
Staff expenses creditor	4,375	5,123
Taxation and social security	29,561	11,210
Other creditors	8,523	15,933
	<u>42,459</u>	<u>43,748</u>

LINEAR TECHNOLOGY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2005

8	Share capital	2005	2004
		£	£
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u> </u>	<u> </u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 July 2004		113,629
	Retained profit for the year		53,776
			<u> </u>
	Balance at 30 June 2005		167,405
			<u> </u>
10	Reconciliation of movements in shareholders' funds	2005	2004
		£	£
	Profit for the financial year	53,776	34,000
	Opening shareholders' funds	114,629	80,629
		<u> </u>	<u> </u>
	Closing shareholders' funds	168,405	114,629
		<u> </u>	<u> </u>

11 Financial commitments

At 30 June 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2005	2004	2005	2004
	£	£	£	£
Expiry date:				
Between two and five years	47,876	46,224	2,024	3,641
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

LINEAR TECHNOLOGY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2005

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2005 Number	2004 Number
Sales	8	9

The directors are remunerated through the parent company.

Employment costs

	£	£
Wages and salaries	651,163	528,569
Social security costs	69,922	62,046
	<u>721,085</u>	<u>590,615</u>

13 Control

The ultimate parent company is Linear Technology Inc, a company incorporated in the United States of America. Copies of the consolidated Financial Statements of Linear Technology Inc may be obtained from 1630 McCarthy Blvd., Milpitas, CA 95035.

14 Related party transactions

The company has taken advantage of the exemptions available to 90% owned subsidiaries not to disclose transactions with group companies which are eliminated on consolidation.