

1033144



MICOM LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MAY 1994



Bird Chartered
Luckin Accountants

MICOM LIMITED

1.

COMPANY NUMBER 1033144

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the company for the six months ended 31 May 1994.

ACTIVITIES

The principal activity of the company is precision engineering and the manufacture and marketing of castings, design contractors and consultants.

DIRECTORS

The directors of the company during the year are shown below together with their interests in the company's shares at the year end.

	31 May 1994	1 December 1993
R A A Webber	1,000	1,000
M J Fisher (resigned 18/4/94)	-	1,001

AUDITORS

In accordance with Section 385(2) of the Companies Act 1985, a resolution to re-appoint the auditors, Bird Luckin, and authorising the directors to agree their remuneration will be proposed at the annual general meeting.

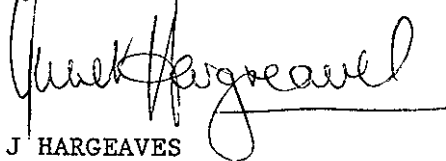
PURCHASE OF OWN SHARES

Details of this share transaction can be seen in notes 11 and 13. Once purchased the shares were cancelled. The shares purchased represented fifty percent of the total called up share capital and also represented the maximum held by the company at any time during the period.

SMALL COMPANY EXEMPTIONS

In preparing this directors' report, the board has taken advantage of special exemptions available to small companies, on the grounds that this company qualifies as a small company for the six months ended 31 May 1994.

By order of the board



J HARGEAVES
Company secretary

Date...18/8/94.....

STATEMENT OF DIRECTORS' RESPONSIBILITIES

31 MAY 1994

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the company's affairs and of the profit or loss for the 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.

The directors are responsible for:

- keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985;
- safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS TO THE MEMBERS OF
MICOM LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

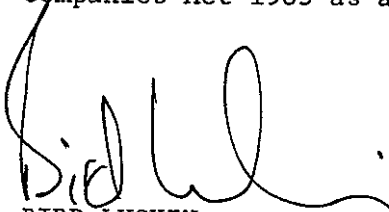
BASIS OF OPINION

We conducted our 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.

We planned and performed our audit so as to obtain all of the information and explanations which we considered necessary in order to provide us with sufficient evidence to give a 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 the 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 at 31 May 1994 and of its loss for the six months then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.



BIRD LUCKIN
Registered Auditor
and Chartered Accountants

Aquila House
Waterloo Lane
Chelmsford
Essex, CM1 1BN

Date... 18/8/94

PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS ENDED 31 MAY 1994

	Note	£	1993 £
TURNOVER	2	248,022	585,639
Cost of sales		137,154	265,603
GROSS PROFIT		110,868	320,036
Administrative expenses		(139,533)	(223,367)
OPERATING (LOSS) PROFIT		(28,665)	96,669
Interest receivable and similar income		2,665	8,909
Interest payable and similar charges		-	(161)
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(26,000)	105,417
Tax on (loss) profit on ordinary activities	4	276	(26,439)
(LOSS) PROFIT FOR THE FINANCIAL SIX MONTHS AFTER TAXATION		(25,724)	78,978
Dividend	5	-	(13,000)
(LOSS) PROFIT RETAINED	15	(25,724)	65,978

Movements in reserves are set out in note 15.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE SIX MONTHS ENDED 31 MAY 1994

(Loss) profit for the financial year	(25,724)	65,978
Purchase of own shares from distributable profits	(143,212)	-
Total gains and losses recognised since the last annual report	(168,936)	65,978

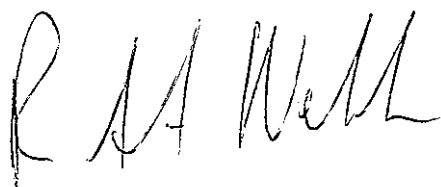
BALANCE SHEET
31 MAY 1994

	Note	£	£	1993	£
FIXED ASSETS					
Tangible assets	6		135,153		132,670
Investments	7		2		2
			<u>135,155</u>		<u>132,672</u>
CURRENT ASSETS					
Stocks	8	24,493		38,227	
Debtors	9	102,532		104,784	
Cash at bank and in hand		165,035		201,994	
		<u>292,060</u>		<u>345,005</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(208,987)</u>		<u>(129,640)</u>	
NET CURRENT ASSETS			<u>83,073</u>		<u>215,365</u>
TOTAL ASSETS					
LESS CURRENT LIABILITIES			218,228		348,037
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	(35,803)		-	
PROVISIONS FOR LIABILITIES AND CHARGES	12	<u>(21,200)</u>		<u>(17,876)</u>	
			<u>(57,003)</u>		<u>(17,876)</u>
			<u>161,225</u>		<u>330,161</u>
CAPITAL AND RESERVES					
Called up share capital	13		1,000		2,001
Capital redemption reserve	14		4,000		2,999
Profit and loss account	15		156,225		325,161
			<u>161,225</u>		<u>330,161</u>

We have taken advantage of the exemptions for small companies conferred by Part I of Schedule 8 to the Companies Act 1985 because, in our opinion, the company is entitled to benefit from those exemptions as a small company.

These financial statements were approved by the board on ...18/8/94.....

Director



NOTES TO THE FINANCIAL STATEMENTS
31 MAY 1994

1. ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

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

1.2 DEPRECIATION

Fixed assets are stated at cost or professional valuation less depreciation. Depreciation is calculated to write off fixed assets, less estimated residual value, over their estimated useful lives at the following annual rates:

Motor vehicles	25% on written down balance
Plant and machinery	10% on written down balance
Fixtures and fittings	15% on written down balance
Leasehold property	Over the period of the lease

1.3 STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost represents the expenditure incurred in bringing each product to its present location and condition as follows:

Raw materials	Purchase cost on a 'first in first out' basis
Work in progress and finished goods	Cost of direct materials and labour plus attributable overheads based on the normal level of activity

1.4 DEFERRED TAXATION

Full provision is made at the current rate of corporation tax for timing differences that arise between the accounting and taxation treatment of income and expenditure.

1.5 CASH FLOW STATEMENTS

As permitted by Financial Reporting Standards No 1, the company has not produced a cash flow statement on the grounds that it has satisfied the conditions exempting it as a small company.

1.6 PENSION COMMITMENTS

The company contributes to a defined contribution scheme. The contributions are charged to the profit and loss account as they become payable.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided net of value added tax and trade discounts.

The turnover originated in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS
31 MAY 1994

	£	1993 £			
3. (LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION					
After charging:					
Depreciation (note 6):					
Owned assets	8,014	17,176			
Interest on loans repayable within five years	-	161			
Directors' remuneration	42,383	82,852			
Auditors' remuneration	2,500	2,100			
	<u>8,014</u>	<u>17,176</u>			
and after crediting:					
Interest receivable and similar income	2,665	8,909			
	<u>2,665</u>	<u>8,909</u>			
4. TAX ON (LOSS) PROFIT ON ORDINARY ACTIVITIES					
On the (loss) profit for the six months:					
Corporation tax @ 25% (1993: 25%)	(350)	26,506			
Deferred tax	74	(67)			
	<u>(276)</u>	<u>26,439</u>			
5. DIVIDEND					
Proposed dividend 0.00 p per share (1993: 649.68 p per share, partly waived)	-	13,000			
	<u>-</u>	<u>13,000</u>			
6. TANGIBLE FIXED ASSETS					
	Motor vehicles £	Plant & machinery £	Fixtures & fittings £	Leasehold property £	Total £
COST					
1 December 1993	27,778	294,125	3,848	1,749	327,500
Additions	10,497	-	-	-	10,497
Disposals	(12,198)	-	-	-	(12,198)
	<u>26,077</u>	<u>294,125</u>	<u>3,848</u>	<u>1,749</u>	<u>325,799</u>
31 May 1994	26,077	294,125	3,848	1,749	325,799
DEPRECIATION					
1 December 1993	23,538	166,379	3,164	1,749	194,830
Charge	867	7,086	61	-	8,014
Disposals	(12,198)	-	-	-	(12,198)
	<u>12,207</u>	<u>173,465</u>	<u>3,225</u>	<u>1,749</u>	<u>190,646</u>
31 May 1994	12,207	173,465	3,225	1,749	190,646
NET BOOK AMOUNT					
31 MAY 1994	<u>13,870</u>	<u>120,660</u>	<u>623</u>	<u>-</u>	<u>135,153</u>
30 NOVEMBER 1993	4,240	127,746	684	-	132,670

NOTES TO THE FINANCIAL STATEMENTS
31 MAY 1994

	£	1993 £
7. INVESTMENTS		
Shares in subsidiary at cost	2	2
	<u>2</u>	<u>2</u>
The investment represents 100% of the ordinary share capital of Anglian Pattern Components Limited, a company incorporated in England.		
8. STOCKS		
Raw materials and consumables	4,330	3,704
Work in progress	5,534	10,935
Finished goods	14,629	23,588
	<u>24,493</u>	<u>38,227</u>
9. DEBTORS		
Trade debtors	90,481	96,640
Corporation tax recoverable	8,607	-
Other debtors	3,140	2,684
Prepayments	304	5,460
	<u>102,532</u>	<u>104,784</u>

There are no debtors falling due after more than one year.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	31,168	28,680
Corporation tax	-	30,796
Advance corporation tax	39,053	3,250
Other taxes and social security costs	13,022	12,682
Other creditors	3,349	229
Dividends	-	13,000
Directors loans	96,557	-
Accruals and deferred income	25,838	41,003
	<u>208,987</u>	<u>129,640</u>

When required, bank borrowings are secured by a fixed and floating charge over the company's assets.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Other creditors	35,803	-
	<u>35,803</u>	<u>-</u>

The above creditor represents the amount payable to M J Fisher, a former director and shareholder, payable on 1 September 1995. (see note 13 for additional details).

NOTES TO THE FINANCIAL STATEMENTS
31 MAY 1994

	£	1993 £
12. PROVISIONS FOR LIABILITIES AND CHARGES		
DEFERRED TAXATION		
Comprising timing differences at 25% (1993: 25%) on:		
Depreciation	21,200	20,708
Other short term timing differences	-	418
	<u>21,200</u>	<u>21,126</u>
Advance corporation tax	-	(3,250)
	<u>21,200</u>	<u>17,876</u>
The full potential liability has been provided for.		
13. SHARE CAPITAL		
Authorised:		
100,000 (1993: 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid:		
1,000 (1993: 2,001) ordinary shares of £1 each	<u>1,000</u>	<u>2,001</u>
On 18 April 1994 the company purchased 1,001 of its ordinary £1 shares for £143,212 out of distributable reserves. £107,409 was paid on 18 April 1994 leaving £35,803 payable on 1 September 1995.		
14. CAPITAL REDEMPTION RESERVE		
1 December 1993	2,999	2,999
Adjustment re purchase of own shares	1,001	-
	<u>4,000</u>	<u>2,999</u>
31 May 1994		
15. PROFIT AND LOSS ACCOUNT		
1 December 1993	325,161	259,183
Purchase of own shares	(143,212)	-
Retained (loss) profit	(25,724)	65,978
	<u>156,225</u>	<u>325,161</u>
31 May 1994		

NOTES TO THE FINANCIAL STATEMENTS
31 MAY 1994

	£	1993 £
16. RECONCILIATION OF SHAREHOLDERS' FUNDS		
(Loss) profit for the financial year after taxation	(25,724)	78,978
Dividends (note 5)	-	(13,000)
	<u>(25,724)</u>	<u>65,978</u>
Net other recognised gains and losses relating to the year (page 4)	(143,212)	-
	<u>(168,936)</u>	<u>65,978</u>
Net (decrease) addition to shareholders' funds	330,161	264,183
Opening shareholders' funds	<u>161,225</u>	<u>330,161</u>
Closing shareholders' funds	<u><u>161,225</u></u>	<u><u>330,161</u></u>
17. PENSION SCHEME		

DEFINED CONTRIBUTION SCHEME

The company operates a defined contribution pension 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 amounts to £31,588 (1993: £42,866). Contributions totalling £810 (1993: £704) were payable to the fund at the year end and are included in creditors.