

ANGLIA CIRCUITS (HOLDINGS) LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

30TH JUNE 1988



Hays Allan

Chartered Accountants
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

ANGLIA CIRCUITS (HOLDINGS) LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 30TH JUNE 1988

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DIRECTORS' REPORTYEAR ENDED 30TH JUNE 1988

The directors present their annual report together with the audited accounts for the year ended 30th June 1988.

REVIEW OF THE BUSINESS

The principal activity of the company during the year was that of a management company, controlling the activities of its newly incorporated subsidiaries (see note 9), the principal activities of which were the manufacture of electronic printed circuit boards and the operation of a yacht marina.

The company transferred its original trade to one of the new subsidiary companies on 3rd July 1987 and on 20th October 1987 changed its name to Anglia Circuits (Holdings) Limited.

Turnover for the year has increased by 30% to £1,237,873. The cost of materials, labour and other overheads has also increased during the year resulting in a profit on ordinary activities before taxation of £105,280 (1987 profit: £31,227).

The directors consider that the group has maintained a competitive position in the market during the year and that it is in a good position to take advantage of any opportunities which may arise in the future.

RESULTS AND DIVIDENDS

The profit for the financial year was £75,651 (1987: £18,051). The directors do not recommend the payment of an ordinary dividend, which leaves the above amount to be transferred to reserves.

CHANGE OF NAME

On 20th October 1987 the company changed its name from Anglia Circuits Limited to Anglia Circuits (Holdings) Limited. The company's trading activities were transferred to a newly formed subsidiary company on 3rd July 1987.

FIXED ASSETS

The market value of freehold land and buildings shown in the accounts is considered to have a value greater than the book value.

DIRECTORS AND THEIR INTERESTS IN THE COMPANY

The directors of the company during the year and their interests in its share capital were:--

	<u>At 30th June 1988</u>	<u>At 1st July 1987</u>
Mr N.B. Kember	30,000	30,000
Mrs A. Kember	30,000	30,000
Mr R.H.C. Lee (resigned 3rd July 1987)	-	-
Mrs E.I. Sant (resigned 3rd July 1987)	-	-

ANGLIA CIRCUITS (HOLDINGS) LIMITED

2.

DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 30TH JUNE 1988

AUDITORS

A resolution to re-appoint Hays Allan as auditors will be presented to the members in accordance with Section 384 (1) of the Companies Act 1985.

BY ORDER OF THE BOARD



N.R. MARTIN
Secretary

Registered office:- Beech House,
4a Newmarket Road,
Cambridge,
CB5 8DT

28th April 1989

AUDITORS' REPORT TO THE MEMBERS OF

3.

ANGLIA CIRCUITS (HOLDINGS) LIMITED

We have audited the accounts set out on pages 4 to 13 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the affairs of the company and the group at 30th June 1988 and of the profit and source and application of funds for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.



HAYS ALLAN

Chartered Accountants,

Beech House,
42 Newmarket Road,
Cambridge
CB5 8DT

28th April 1989

ANGLIA CIRCUITS (HOLDINGS) LIMITED

5.

CONSOLIDATED BALANCE SHEETAT 30TH JUNE 1988

		<u>1988</u>	
	<u>Note</u>	£	£
FIXED ASSETS			
Tangible assets	8		806,697
CURRENT ASSETS			
Stocks and work in progress	10	54,432	
Debtors	11	289,117	
Cash at bank		47,966	

		391,51	
CREDITORS: DUE WITHIN ONE YEAR	12	589,174	

NET CURRENT LIABILITIES			(197,659)

TOTAL ASSETS LESS CURRENT LIABILITIES			609,038
CREDITORS: DUE AFTER ONE YEAR			
Hire purchase instalments	13		982

TOTAL ASSETS LESS LONG TERM LIABILITIES			608,056
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	14		45,600

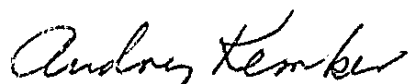
NET ASSETS			£562,456
			=====
CALLED UP SHARE CAPITAL	15		60,000
PROFIT AND LOSS ACCOUNT	16		502,456

			£562,456
			=====

Approved by the Board on 28th April 1989



N.B. KEMBER



MRS A. KEMBER

ANGLIA CIRCUITS (HOLDINGS) LIMITED

6.

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
YEAR ENDED 30TH JUNE 1988

	<u>1988</u>		<u>1987</u> <u>(COMPANY ONLY)</u>	
	£	£	£	£
SOURCE OF FUNDS				
Profit on ordinary activities before taxation, including gross extraordinary gain		135,328		31,227
Adjustment for items not involving the movement of funds:-				
Depreciation	117,442		153,295	
(Profit) on disposal of tangible fixed assets	(31,383)		(2,582)	
		86,059		150,713
TOTAL GENERATED FROM OPERATIONS		221,387		181,940
FUNDS FROM OTHER SOURCES				
Proceeds from disposal of tangible fixed assets		171,648		29,574
TOTAL FUNDS GENERATED		393,035		211,514
APPLICATION OF FUNDS				
Repayment of loans & mortgage	136,406		44,019	
Taxation paid	1,006		-	
Purchase of tangible fixed assets	178,910		109,519	
Fixed assets acquired at net book value on incorporation of subsidiary	65,347		-	
		381,669		153,538
INCREASE IN WORKING CAPITAL		£11,366		£57,976
		=====		=====
(Decrease)/Increase in stocks and work in progress		(3,514)		17,848
Increase in debtors		35,821		48,542
(Increase) in creditors		(42,171)		(14,508)
Increase in net liquid funds		21,230		6,094
INCREASE IN WORKING CAPITAL		£11,366		£57,976
		=====		=====

ANGLIA CIRCUITS (HOLDINGS) LIMITED

7.

BALANCE SHEET

AT 30TH JUNE 1988

		<u>1988</u>		<u>1987</u>	
	<u>Note</u>	£	£	£	£
FIXED ASSETS					
Tangible assets	8		348,960		820,147
Investments	9		4		-
CURRENT ASSETS					
Stocks and work in progress	10	-		57,946	
Debtors	11	394,863		253,296	
Cash at bank		39,581		-	
		434,444		311,242	
CREDITORS: DUE WITHIN ONE YEAR	12	193,737		430,246	
NET CURRENT ASSETS/ (LIABILITIES)			240,707		(119,004)
TOTAL ASSETS LESS CURRENT LIABILITIES			589,671		701,143
CREDITORS: DUE AFTER ONE YEAR					
Hire purchase instalments	13	982		44,637	
Bank loans	13	-		9,465	
Mortgage	13	-		96,736	
			982		150,838
TOTAL ASSETS LESS LONG TERM LIABILITIES			588,689		550,305
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	14	-		63,500	
NET ASSETS			£588,689		£486,805
CALLED UP SHARE CAPITAL					
	15		60,000		60,000
PROFIT AND LOSS ACCOUNT					
	16		528,689		426,805
			£588,689		£486,805

Approved by the Board on 28th April 1989

N.B. Kember

N.B. KEMBER

Andrew Kember

MRS A. KEMBER

NOTES TO THE ACCOUNTSYEAR ENDED 30TH JUNE 1988

1. ACCOUNTING POLICIES

(a) Accounting basis

The accounts are prepared on the historical cost basis.

(b) Basis of consolidation

The consolidated accounts incorporate the accounts of Anglia Circuits (Holdings) Limited and its two subsidiary companies, Anglia Circuits Limited and Tidemill Yacht Harbour Limited, made up to 30th June 1988.

As provided by Section 228 (7) of the Companies Act 1985, no profit and loss account is presented to Anglia Circuits (Holdings) Limited for the year ended 30th June 1988.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is calculated on the straight line basis by reference to the estimated lives of the assets concerned at the following rates:-

Motor vehicles	25%
Plant and machinery	15%
Office equipment	15%

No depreciation is provided on freehold property. The company has therefore not complied with Statement of Standard Accounting Practice 12. In the opinion of the directors such omission does not have a material effect on the accounts.

(d) Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value.

Work in progress represents goods being produced at the year end, and has been valued at cost, which comprises the cost of direct materials and direct labour.

(e) Deferred taxation

Provision is made using the liability method for the tax effect of all material timing differences between profits for taxation purposes and those stated in the accounts, except insofar as the timing differences are expected to continue for the foreseeable future.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover represents the invoiced amounts of services provided and goods sold by the company during the year, stated net of value added tax. Income from mooring fees is credited to the profit and loss account after removing the elements invoiced in advance.

Turnover arises from the company's principal activities and from operations situated in the United Kingdom.

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 30TH JUNE 1988

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION
(CONTINUED)

Profit on ordinary activities before taxation is stated after charging:-

	1988	1987 (COMPANY ONLY)
	£	£
COST OF SALES		
Depreciation	67,878 =====	123,791 =====
ADMINISTRATIVE EXPENSES	£	£
Auditors' remuneration	4,000	2,500
Depreciation	29,564	29,504
Directors' remuneration (note 5)	121,636	91,225
(Profit) on disposal of tangible fixed assets	(1,335)	(7,382)
Hire of equipment	-	1,716
	=====	=====
3. INTEREST PAYABLE	£	£
Bank overdraft interest	23,018	27,256
Hire purchase interest	11,340	13,483
Mortgage interest	12,684	16,929
Loan interest	2,432	5,100
	-----	-----
	£49,474 =====	£62,768 =====
4. OTHER INCOME	£	£
Rent receivable	20,400	21,600
Bad debts recovered	-	585
Other income	62	782
	-----	-----
	£20,462 =====	£22,967 =====
5. EMPLOYEES		
Staff costs:-	£	£
Wages and salaries	389,015	286,036
Social security costs	32,333	27,411
Other pension costs	16,000	11,190
	-----	-----
	£437,348 =====	£324,637 =====

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 30TH JUNE 1988

5. EMPLOYEES (CONTINUED)

The average number of employees during the year for each company was:-

	<u>1988</u>	<u>1987</u> (COMPANY ONLY)
Anglia Circuits (Holdings) Limited	3	24
Tidemill Yacht Harbour Limited	4	-
Anglia Circuits Limited	34	-
	--	--
	41	24
	==	==

Directors' remuneration consists of:-

	£	£
Remuneration	103,226	91,225
Other emoluments including pension contributions	8,500	3,000
	-----	-----
	£111,726	£94,225
	=====	=====

Directors' emoluments disclosed above, excluding pension contributions, included amounts paid to:-

The chairman	£15,447	£52,986
	=====	=====
The highest paid director	£69,256	£52,986
	=====	=====

The number of other directors who received emoluments, excluding pension contributions, in the following ranges were:-

	<u>1988</u>	<u>1987</u>
0 - £5,000	1	1
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-
£20,001 - £25,000	-	1

6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The charge is made up as follows:-

	£	£
Corporation tax	39,778	15,276
Overprovision in prior years	(2,142)	-
Deferred taxation release	(17,900)	(2,100)
	-----	-----
	£19,736	£13,176
	=====	=====

7. EXTRAORDINARY ITEM

	£	£
Profit on sale of freehold property	30,048	-
Less: corporation tax on related balancing charge	(39,941)	-
	-----	-----
	£9,893	£ -
	=====	=====

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 30TH JUNE 1988

8. TANGIBLE FIXED ASSETS

<u>(A) GROUP</u>	<u>Freehold Property</u>	<u>Motor Vehicles</u>	<u>Plant and Machinery</u>	<u>Equipment</u>	<u>Total</u>
COST	£	£	£	£	£
At 1st July 1987 (Company only)	460,912	70,632	658,398	24,430	1,214,372
Acquired on incorporation of subsidiary	-	13,850	71,415	2,901	88,166
Additions	-	14,050	151,747	13,113	178,910
Disposals	(139,250)	(6,815)	(221)	-	(146,286)
At 30th June 1988	321,662	91,717	881,339	40,444	1,335,162
DEPRECIATION					
At 1st July 1987 (Company only)	-	15,539	365,041	13,645	394,225
Acquired on incorporation of subsidiary	-	289	22,005	525	22,819
Charge for the year	-	21,241	87,469	8,732	117,442
Eliminated on disposals	-	(5,912)	(109)	-	(6,021)
At 30th June 1988	-	31,157	474,406	22,902	528,465
NET BOOK VALUE					
At 30th June 1988	£321,662	£60,560	£406,933	£17,542	£806,697
<u>(B) COMPANY</u>					
COST	£	£	£	£	£
At 1st July 1987	460,912	70,632	658,398	24,430	1,214,372
Additions	-	5,900	-	4,577	10,477
Disposals	(139,250)	-	-	-	(139,250)
Transfers to subsidiary	-	(43,363)	(658,398)	(24,430)	(726,191)
At 30th June 1988	321,662	33,169	-	4,577	359,408
DEPRECIATION					
At 1st July 1987	-	15,539	365,041	13,645	394,225
Amount provided	-	8,169	-	187	8,356
Transfers to subsidiary	-	(13,447)	(365,041)	(13,645)	(392,133)
At 30th June 1988	-	10,261	-	187	10,448
NET BOOK VALUE					
At 30th June 1988	£321,662	£22,908	£ -	£4,390	£348,960
At 30th June 1987	£460,912	£55,093	£293,357	£10,785	£820,147

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 30TH JUNE 1988

	<u>1988</u>	<u>1987</u>
	£	£

9. FIXED ASSET INVESTMENTS

The investments represent the cost of the entire issued share capital of the Companies below, both of which were incorporated in the U.K. and are not listed on the stock exchange.

Anglia Circuits Limited	2	-
Tidemill Yacht Harbour Limited	2	-
	==	==
	£ 4	£ -
	==	==

10. STOCKS AND WORK IN PROGRESS

	<u>1988</u>		<u>1987</u>	
	<u>GROUP</u>	<u>COMPANY</u>	<u>GROUP</u>	<u>COMPANY</u>
	£	£	£	£
Raw materials and consumables	8,505	-	-	4,779
Short term work in progress	45,927	-	-	53,167
	-----	---	---	-----
	£54,432	£ -	£ -	£57,946
	=====	==	==	=====

11. DEBTORS

	£	£	£	£
Due within one year:-				
Trade debtors	235,737	-	-	183,413
Other debtors	49,770	49,770	-	62,163
Prepayments and accrued income	3,610	1,333	-	7,720
Due from subsidiaries	-	264,860	-	-
	-----	-----	---	-----
	289,117	315,963	-	253,296
Due after one year:-				
Short term loan instalments due from subsidiary	-	78,900	-	-
	-----	-----	---	-----
	£289,117	£394,863	£ -	£253,296
	=====	=====	==	=====

12. CREDITORS: DUE WITHIN ONE YEAR

	£	£	£	£
Current instalments due on loans (Note 13)	46,045	8,443	-	88,062
Bank overdraft (secured)	218,675	96,512	-	191,939
Trade creditors	121,430	-	-	91,021
Accruals	78,465	17,451	-	14,697
Other taxes and social security payments	24,622	896	-	41,851
Corporation tax	79,247	70,435	-	2,676
Payments received in advance	20,690	-	-	-
	-----	-----	---	-----
	£589,174	£193,737	£ -	£430,246
	=====	=====	==	=====

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 30TH JUNE 1988

13. CREDITORS: DUE AFTER ONE YEAR

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>Hire</u>	<u>Hire</u>	<u>Bank loans</u>	
	<u>Purchase</u>	<u>Purchase</u>	<u>and</u>	<u>Total</u>
			<u>Mortgage</u>	
<u>1988</u>	£	£	£	£
Repayable by instalments	47,027	9,425	-	9,425
Deduct: Due within one year included in current liabilities (Note 12)	46,045	8,443	-	8,443
	-----	-----	---	-----
	£982	£982	£ -	£982
	===	===	==	===

1987

(COMPANY ONLY)	£ -	£44,637	£106,201	£150,838
	==	=====	=====	=====

14. DEFERRED TAXATION

	<u>1988</u>		<u>1987</u>	
	<u>GROUP</u>	<u>COMPANY</u>	<u>GROUP</u>	<u>COMPANY</u>
Timing differences:-	£	£	£	£
Accelerated capital allowances	£45,600	£ -	£ -	£63,500
	=====	==	==	=====

15. CALLED UP SHARE CAPITAL

	<u>1988</u>	<u>1987</u>
	£	£
Authorised ordinary shares of £1 each	£500,000	£500,000
	=====	=====
Alotted, issued and fully paid Ordinary shares of £1 each	£60,000	£60,000
	=====	=====

16. PROFIT AND LOSS ACCOUNT

	<u>GROUP</u>	<u>COMPANY</u>
	£	£
At 1st July 1987 (COMPANY ONLY)	426,805	426,805
Retained profit for the year	75,651	101,894
	-----	-----
At 30th June 1988	£502,456	£528,699
	=====	=====

ANGLIA CIRCUITS (HOLDINGS) LIMITED

4.

CONSOLIDATED PROFIT AND LOSS ACCOUNTYEAR ENDED 30TH JUNE 1988

	<u>Note</u>	<u>1988</u>		<u>1987</u> <u>(COMPANY ONLY)</u>	
		£	£	£	£
TURNOVER	2		1,237,873		949,258
Cost of sales	2		749,281		643,133
GROSS PROFIT			488,592		306,125
Administrative expenses	2	354,300		235,097	
Interest payable	3	49,474		62,768	
		403,774		297,865	
Other income	4	20,462		22,967	
			383,312		274,898
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			105,280		31,227
Taxation on profit on ordinary activities	6		19,736		13,176
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			85,544		18,051
Extraordinary item	7		9,893		-
RETAINED PROFIT FOR THE FINANCIAL YEAR			£75,651		£18,051
			=====		=====
Retained in parent company			101,884		-
Retained in subsidiaries			(26,233)		-
			=====		=====
			£75,651		£ -
			=====		=====