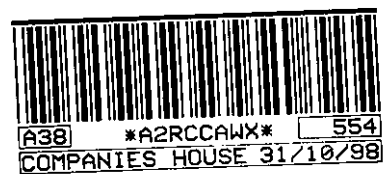


**British Approvals Service for Cables  
(Being a Company Limited by Guarantee  
and not having a Share Capital)**

**FINANCIAL STATEMENTS**

**For The Year Ended 31 March 1998**

**Company Number: 1150237**



**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Report and Financial Statements**  
**For The Year Ended 31 March 1998**

**CONTENTS**

1-2	Report on the Accounts
3	Board of Management, Observers and Chief Officers
4	Report of the Auditors
5	Balance Sheet
6	Profit and Loss Account
7	Accounting Policies
8-11	Notes to the Accounts

**BOARD OF MANAGEMENT**

G A Squair - Chairman  
Dr J Hodge  
M H Kelly  
P Buckle  
J Wilson  
R Dean  
T G Marsh  
A Silcock  
J P Cutting  
J Mills  
D Wilson  
R J R Gibson  
S Williams

**RESIGNATIONS IN THE YEAR**

B V W Charles  
M Kenney

**AUDITORS**

Hillier Hopkins  
Chartered Accountants  
79 Marlowes  
Hemel Hempstead  
Herts  
HP1 1LW

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Report on the Financial Statements**

The Board of Management present herewith the Company's Financial Statements for the year ended 31 March 1998, and report as follows:-

**1. Business Review**

The Company has traded continuously throughout the year with a programme of certification of Cables, Flexible Cords and Ancillary Products, the net trading profit before taxation being £186,732. After setting aside £40,778 for taxation, this leaves £145,954 which will be carried to reserves.

The Company is prohibited under its Memorandum of Association from making a distribution to its Members.

**2. Fixed Assets**

The fixed assets of the Company, together with any changes during the year, are shown in detail in the Notes to the Financial Statements.

**3. Board of Management**

The Members of the Board of Management who served during the year, together with Observers and Chief Officers, are listed on page 3.

**4. Membership**

The Company is a company limited by guarantee and at 31 March 1998 had seven members who had each undertaken to contribute, if necessary, to the assets of the Company in the event of it being wound up while he is a member, or within one year of ceasing to be a member, up to an amount not exceeding £1.

**5. Responsibilities of the Members of the Board of Management**

Company law requires the Members of the Board of Management 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 members of the Board of Management are required to:-

- select suitable accounting policies and apply them consistently;
- make judgement and estimates that are reasonable and prudent;

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Report on the Financial Statements (Continued)**

**5. Responsibilities of the Members of the Board of Management (continued)**

- follow applicable accounting standards, 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 contribute in business.

The Members of the Board of Management 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.

**6. Auditors**

Messrs Hillier Hopkins, Chartered Accountants, have indicated their willingness to continue in office.

By Order of the Board



H S Craig  
Secretary

Date 17/07/98

125 High Holburn  
London  
WC1V 6QC

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Board of Management, Observers and Chief Officer**

**Board of Management**

G A Squair

Chairman

M H Kelly

British Cable Makers Confederation

P Buckle

Electrical Contractors' Association

Dr J Hodge

Loss Prevention Council

J Wilson

Electricity Association

R Dean

ERA Technology Limited

T G Marsh

British Cable Makers Confederation

R J R Gibson

British Cable Makers Confederation

J P Cutting

Institution of Electrical Engineers

J Mills

British Telecom

A Silcock

British Cable Makers Confederation

D Wilson

British Cable Makers Confederation

S Williams

British Standards Institution

**Observers**

R D Smith

Claremont Smith (Solicitors)

H Wilkinson

Mercer & Hole (Accountants)

**Chief Officer**

J H S Craig

Secretary/Chief Executive

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Auditors' Report to the Members of**  
**British Approvals Service for Cables**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective Responsibilities of Members of the Board of Management and Auditors**

As described on page 1, the company's Board of Management are responsible for the preparation of 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.

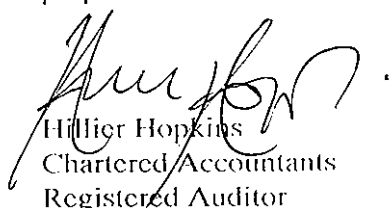
**Basis of Opinion**

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 significant estimates and judgements by the Board of Management 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 misstatements, 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 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hillier Hopkins  
Chartered Accountants  
Registered Auditor

79 Marlowes  
Hemel Hempstead  
Herts  
HP1 1LW

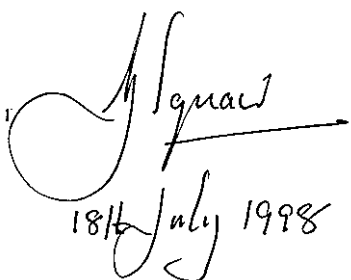
Dated: 23 May 1998

**British Approvals Service for Cables**  
(Being a Company Limited by Guarantee and not having a Share Capital)

**Balance Sheet at 31 March 1998**

	Note	31 March 1998	31 March 1997 £
<b>Fixed Assets</b>			
Tangible assets	1	24,781	11,204
<b>Current Assets</b>			
Debtors	2	263,792	214,110
Cash at bank & in hand		<u>698,452</u>	<u>661,322</u>
		962,244	875,432
<b>Creditors - Amounts falling due within one year</b>	3	<u>(559,202)</u>	<u>(604,321)</u>
<b>Net Current Assets</b>		403,042	271,111
<b>Provisions for Liabilities and Charges</b>	4	-	(446)
		<u>£427,823</u>	<u>£281,869</u>
<b>Reserves</b>			
Profit and loss account		<u>£427,823</u>	<u>£281,869</u>

G Squair



Chairman, on behalf of the Board of Management

Date

18/6 July 1998

The Accounting Policies and Notes on pages 7 to 11 form part of these Financial Statements.

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Profit and Loss Account**  
**For The Year Ended 31 March 1998**

	Note	31 March 1998 £	31 March 1997 £
Turnover	5	1,560,941	1,252,443
Cost of Sales		<u>802,509</u>	<u>624,132</u>
Gross Profit		758,432	628,311
Administrative Expenses		<u>631,877</u>	<u>588,404</u>
OPERATING PROFIT		126,555	39,907
Non Operating Income	8	<u>60,177</u>	<u>31,684</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	6	186,732	71,591
Taxation	9	<u>40,778</u>	<u>17,293</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		145,954	54,298
Retained profit from previous years		<u>281,869</u>	<u>227,571</u>
Retained Profit at 31 March 1998		<u>427,823</u>	<u>281,869</u>

**Continuing Operations**

None of the company's activities was acquired or discontinued during the above financial periods.

**Total Recognised Gains and Losses**

The company has no recognised gains or losses other than the profit for the financial period.

The Accounting Policies and Notes on pages 7 to 11 form part of these Financial Statements.

**Historical Cost**

The difference between the results as disclosed in the profit and loss account before tax and retained profit for the year on an unmodified historical cost basis is not material.



**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Accounting Policies**

The following notes outline the main Accounting Policies of the Company, which have been used consistently in preparing these Financial Statements.

**1. Basis of Accounting**

These Financial Statements have been prepared under the historical cost accounting convention and in accordance with all applicable United Kingdom accounting standards.

**2. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost.

Provision is made for depreciation on all tangible fixed assets at rates calculated to write off their cost, less their estimated residual value, over the expected useful lives of the assets, as follows:

Fixtures and fittings	25% reducing balance
Computer equipment	25% straight line

Short leasehold premises are written off at rates calculated to reflect their current estimated economic value to the company less their estimated residual value.

**3. Turnover**

Turnover represents the value of fees for certification, approval, testing and licensing where the work has been undertaken by the balance sheet date, stated net of Value Added Tax.

Those amounts which have been invoiced to customers but which relate to work to be undertaken in the future are classified as deferred income and carried forward in creditors falling due within one year.

**4. Pension Contributions**

The company operates a defined contribution pension scheme for some of its employees. Such contributions due for the accounting period are charged in the profit and loss account.

**5. Leased Assets**

Rentals payable under operating lease are charged to the profit and loss account in the period to which they relate.

**6. Deferred Taxation**

No provision is made for deferred taxation arising from the allocation for taxation purposes of income and expenditure to periods different from those used for accounting purposes unless there is a reasonable probability that such timing differences will give rise to a taxation liability in the foreseeable future.

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Notes to the Financial Statements 31 March 1998**

**1. Tangible Fixed Assets**

<u>Cost</u>	<u>Short Leasehold</u>	<u>Office Equipment</u>	<u>Total</u>
1 April 1997	6,750	66,884	73,634
Additions	-	19,480	19,480
	<u>6,750</u>	<u>86,364</u>	<u>93,114</u>
31 March 1998	<u>6,750</u>	<u>86,364</u>	<u>93,114</u>
<u>Depreciation</u>			
1 April 1997	6,749	55,681	62,430
Year Charge	-	5,903	5,903
	<u>6,749</u>	<u>61,584</u>	<u>68,333</u>
31 March 1998	<u>6,749</u>	<u>61,584</u>	<u>68,333</u>
<u>Net Book Value</u>			
31 March 1998	<u>£1</u>	<u>£24,780</u>	<u>£24,781</u>
1 April 1997	<u>£1</u>	<u>£11,203</u>	<u>£11,204</u>

**2. Debtors**

	<b>1998</b>	<b>1997</b>
Trade Debtors	184,854	166,258
Other Taxes & Social Security Costs	31,665	18,438
Other Debtors and Prepayments	<u>47,273</u>	<u>29,414</u>
	<u>£263,792</u>	<u>£214,110</u>

**3. Creditors - Amounts Falling Due Within One Year**

	<b>1998</b>	<b>1997</b>
Bank Loans and Overdrafts	2,824	11,723
Trade Creditors and Deferred Income	489,595	516,143
Corporation Tax	40,778	17,522
Other Taxes & Social Security Costs	-	8,844
Accruals	<u>26,005</u>	<u>50,089</u>
	<u>£559,202</u>	<u>£604,321</u>

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Notes to the Financial Statements 31 March 1998 (Continued)**

**4. Provisions for Liabilities and Charges**

	1998	Fully Provided 1997
	£	£
Deferred tax is calculated at 21% (1997 24%)		
Excess of capital allowances over depreciation	—	<u>446</u>

The movements in deferred taxation are as follows:-

	1998
	£
Balance at 1 April 1997	446
Transferred from Profit and Loss account	(446)
	<u>—</u>
Balance at 31 March 1998	<u>—</u>

**5. Turnover**

The company's turnover derives solely from its principal activity which is the certification of cables, flexible cables and ancillary products.

The analysis of turnover by geographical areas is as follows:-

	1998	1997
United Kingdom	666,987	595,022
Overseas	893,954	657,421
	<u>£1,560,941</u>	<u>£1,252,443</u>

**6. Profit on Ordinary Activities Before Taxation**

Profit on ordinary activities is stated after charging the following:-

	1998	1997
Depreciation of owned assets	5,903	8,450
Auditors' remuneration	3,625	3,225
Operating leases - equipment hire	25,916	26,040
Operating leases - property rental	17,094	17,094
Disposal of fixed assets	(30)	—
Chairman's remuneration - fees	5,300	5,300
	<u>—</u>	<u>—</u>

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Notes to the Financial Statements 31 March 1998 (Continued)**

**7. Employees**

The average number of company's employees during the year was as follows:-

	<b>1998</b>	<b>1997</b>
Management	2	2
Assessment & administration	8	8
	<u>10</u>	<u>10</u>

The average number of employees includes part time staff in the figures for 1998, which is in line with the Companies Act 1985. The Chairman is not included in the above figures.

The details of emoluments paid during the year, including those to the Members of the Board, were as follows:-

	<b>1998</b>	<b>1997</b>
Chairman's fees	5,300	5,300
Wages and salaries	233,934	220,306
Social Security costs	25,230	25,513
Pension costs	18,740	20,085
	<u>£283,204</u>	<u>£271,204</u>

**8. Non Operating Income**

	<b>1998</b>	<b>1997</b>
Interest Receivable	51,548	31,684
Sundry Income	8,629	-
	<u>£60,177</u>	<u>£31,684</u>

**9. Taxation**

Taxation is based on the year's profits and comprises the following:

	<b>1998</b>	<b>1997</b>
Corporation tax at 21% (1997 - 24%)	40,778	17,522
Deferred taxation	-	446
	<u>40,778</u>	<u>17,968</u>
Taxation (Over)/Under provided in previous years'		
Corporation Tax	-	(675)
	<u>40,778</u>	<u>17,293</u>

**British Approvals Service for Cables**  
**(Being a Company Limited by Guarantee and not having a Share Capital)**

**Notes to the Financial Statements 31 March 1998 (Continued)**

**10. Financial Commitments under Operating Leases**

The Company had annual commitments under non-cancellable operating leases as set out below:-

	1998	1997
<u>Short leasehold property</u>		
Operating lease which expires in the second to fifth years	17,094	17,094
<u>Other</u>		
Operating leases which expire within one year	3,769	1,230
Operating leases which expire in the second to fifth years	23,100	22,111
	-----	-----
	£43,963	£40,435
	-----	-----

**11. Capital Commitments**

	1998	1997
Contracted for but not provided in the financial statements	-	7,258
	-----	-----

**12. Reconciliation of Movements in Members' Funds**

	1998	1997
Profit for the financial year & net addition to members' funds	145,954	54,298
Opening members' funds	281,869	227,571
	-----	-----
Closing members' funds	£427,823	£281,869
	-----	-----