

B · A · S · E · C

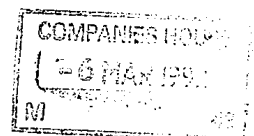
Report of the Auditors

To the Members of British Approvals Services for Cables

We have audited the Financial Statements on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 31st March 1991 and of its 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.

Hillier Hopkins
Date 8th August 1991
HILLIER HOPKINS,
Chartered Accountants,
79 Marlowes,
Hemel Hempstead,
Herts. HP1 1LW



BRITISH APPROVALS SERVICE FOR CABLES

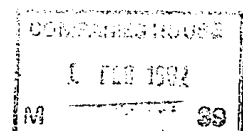
Being a Company Limited by Guarantee and not having a Share Capital

1150237

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee
and not having a Share Capital)

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1991



BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

REPORT ON THE ACCOUNTS

The Board of Management present herewith the Company's Accounts for the year ended 31st March 1991, 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 £90,823. After setting aside £20,594 for taxation, this leaves £70,229 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 Accounts.

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 2.

4. MEMBERSHIP

The Company is a company limited by guarantee and at 31st March 1991 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. AUDITORS

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

Date

29th July 1991

125 High Holborn
 London
 WC1V 6QC

J. G. Jones

J. G. Jones
 Chairman

By Order of the Board

[Signature]
 Secretary

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET AT 31 MARCH 1991

		31 March 1991	31 March 1990
	Note	£	£
FIXED ASSETS			
Tangible assets	1	23,739	8,556
CURRENT ASSETS			
Debtors	2	127,321	223,129
Cash at bank & in hand		<u>325,746</u>	<u>202,946</u>
		<u>453,067</u>	<u>426,075</u>
CREDITORS -			
Amounts falling due within one year	3	<u>401,802</u>	<u>430,067</u>
NET CURRENT ASSETS /			
(LIABILITIES)		51,265	(3,992)
PROVISIONS FOR			
LIABILITIES AND CHARGES			
Deferred taxation	9	<u>211</u>	<u>-</u>
		<u>£ 74,793</u>	<u>£ 4,564</u>
RESERVES			
Profit and loss account		£ 74,793	£ 4,564

[Signature]
[Signature]
 Chairman

30th July 1991
 Date

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

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 1991

	Note	31 March 1991 £	31 March 1990 £
TURNOVER	4	1,017,978	781,789
COST OF SALES		<u>646,571</u>	<u>590,934</u>
GROSS PROFIT		371,407	190,855
Administrative expenses		<u>328,892</u>	<u>246,210</u>
OPERATING PROFIT / (LOSS)		42,515	(55,355)
Non Operating income	7	<u>48,308</u>	<u>59,062</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	5	90,823	3,707
Taxation	8	<u>20,594</u>	<u>84</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		70,229	3,623
Retained profit from previous years		<u>4,564</u>	<u>941</u>
Retained profit at 31 March 1991		<u>£ 74,793</u>	<u>£ 4,564</u>

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

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31 MARCH 1991

	31 March 1991		31 March 1990	
	£	£	£	£
SOURCE OF FUNDS				
Profit before taxation		90,823		3,707
Adjustment for item not involving the movement of funds				
Depreciation		<u>6,614</u>		<u>602</u>
		97,437		4,309
APPLICATION OF FUNDS				
Taxation paid	84		126	
Purchase of fixed assets	<u>21,797</u>		<u>9,158</u>	
		<u>21,881</u>		<u>9,284</u>
		<u>£75,556</u>		<u>£(4,975)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL				
Debtors		(95,808)		153,394
Creditors falling due within one year		<u>48,564</u>		<u>(185,310)</u>
		(47,244)		(31,916)
MOVEMENT IN NET LIQUID FUNDS				
Cash at bank and in hand		<u>122,800</u>		<u>26,941</u>
		<u>£ 75,556</u>		<u>£ (4,975)</u>

The Accounting policies and Notes on pages 7 to 11 form part of these Accounts.

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 Accounts.

1. BASIS OF ACCOUNTING

These Accounts have been prepared under the historical cost accounting convention.

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:

Short leasehold premises	Straight line over lease period
Fixtures and fittings	25% reducing balance
Computer equipment	25% straight line

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 are carried forward in creditors falling due within one year.

This accounting policy represents a change from that adopted in prior years. It has not been considered practicable to restate the prior year's figures to reflect this change in accounting policy.

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 ACCOUNTS 31 MARCH 1991

1. TANGIBLE FIXED ASSETS

COST	Short	Office	Total
	<u>Leasehold</u>	<u>Equipment</u>	
1 April 1990	6,750	2,408	9,158
Additions	-	21,797	21,797
31 March 1991	<u>6,750</u>	<u>24,205</u>	<u>30,955</u>
DEPRECIATION			
1 April 1990	-	602	602
Year charge	563	6,051	6,614
31 March 1991	<u>563</u>	<u>6,653</u>	<u>7,216</u>
NET BOOK VALUE			
31 March 1991	<u>£6,187</u>	<u>£17,552</u>	<u>£23,739</u>
1 April 1990	<u>£6,750</u>	<u>£ 1,806</u>	<u>£ 8,556</u>

2. DEBTORS

	<u>1991</u>	<u>1990</u>
Trade debtors	109,513	200,189
Other debtors and prepayments	17,808	22,940
	<u>£127,321</u>	<u>£223,129</u>

3. CREDITORS - Amounts falling due within one year

	<u>1991</u>	<u>1990</u>
Trade creditors	348,974	357,908
Corporation Tax	20,383	84
Other creditors and accruals	32,445	72,075
	<u>£401,802</u>	<u>£430,067</u>

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE ACCOUNTS 31 MARCH 1991 (Continued)

4. 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 :-

	<u>1991</u>	<u>1990</u>
United Kingdom	704,066	421,923
Overseas	313,912	359,866
	<u>£1,017,978</u>	<u>£781,789</u>

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	<u>1991</u>	<u>1990</u>
Depreciation of owned assets	6,614	602
Auditors' remuneration	3,360	2,225
Operating leases - equipment hire	5,712	-
Operating leases - property rental	10,684	-
Chairman's remuneration - fees	<u>5,000</u>	<u>4,500</u>

6. EMPLOYEES

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

	<u>1991</u>	<u>1990</u>
Management	1	1
Administration	<u>4</u>	<u>-</u>
	<u>5</u>	<u>1</u>

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

	<u>1991</u>	<u>1990</u>
Chairman's fees	5,000	4,500
Wages and salaries	81,211	6,625
Social Security costs	8,352	692
Pension costs	<u>10,229</u>	<u>927</u>
	<u>£104,792</u>	<u>£ 12,744</u>

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE ACCOUNTS 31 MARCH 1991 (Continued)

7. NON OPERATING INCOME

	<u>1991</u>	<u>1990</u>
Department of Trade & Industry - Grant received	-	20,400
Interest receivable	48,308	38,662
	<u>£ 48,308</u>	<u>£ 59,062</u>

8. TAXATION

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

	<u>1991</u>	<u>1990</u>
Corporation tax at 25%	20,383	84
Deferred taxation	211	-
	<u>£ 20,594</u>	<u>£ 84</u>

The tax charge for the year has been reduced by £2,476 as a result of losses brought forward.

9. DEFERRED TAXATION

Movement in year :-

At 1 April 1990	-
Charge for year	211
At 31 March 1991	<u>£ 211</u>

As explained in the Accounting Policies provision is made for taxation liabilities arising from the allocation of items to different periods for taxation and accounting purposes, except where it is probable that a liability will not crystallise.

The source of the balance on the deferred taxation account and the amounts for which provision has not been made are as follows :-

	<u>1991</u>	<u>Provided</u> <u>1990</u>
Short term timing differences	<u>£ 211</u>	<u>£ -</u>
	<u>1991</u>	<u>Unprovided</u> <u>1990</u>
Short term timing differences	<u>£ -</u>	<u>£ 830</u>

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE ACCOUNTS 31 MARCH 1991 (Continued)

10. FINANCIAL COMMITMENTS UNDER OPERATING LEASES

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

	<u>1991</u>	<u>1990</u>
Short leasehold property		
Operating lease which expire over five years	10,684	10,684
Other		
Operating lease which expire in the second to fifth years	<u>8,927</u>	<u>-</u>
	<u>£ 19,611</u>	<u>£ 10,684</u>

11. CAPITAL COMMITMENTS

	<u>1991</u>	<u>1990</u>
Contracted but not provided for	-	6,814
Authorised but not contacted for	<u>-</u>	<u>-</u>
	<u>£ -</u>	<u>£ 6,814</u>

BRITISH APPROVALS SERVICE FOR CABLES
(Being a Company Limited by Guarantee and not having a Share Capital)

DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 1991

	Year to 31 March 1991		Year to 31 March 1990	
	£ £		£ £	
Trading account				
Certification, approval, testing and licensing fees	1,017,978		781,789	
Less: Direct costs of above	(646,571)		(590,934)	
Gross profit	371,407		190,855	
Other income				
Interest receivable	48,308		38,662	
DTI grant received	-		20,400	
	48,308		59,062	
Administrative expenses				
BSI Administration	21,348		179,999	
Chairman's fees	5,000		4,500	
Travel & meeting expenses	12,229		10,430	
Legal fees	2,658		2,100	
Audit fee	3,360		2,255	
Accountancy	8,548		1,000	
Bank charges	471		76	
Books & publications	1,415		-	
Consultancy	2,500		-	
Insurance	7,361		7,900	
Printing & stationery	15,066		1,333	
Staff salaries	51,211		6,625	
Social security costs	8,352		692	
Pension costs	10,229		927	
BSI Staff charges	5,800		-	
Temporary staff	1,265		1,395	
Recruitment fees	1,235		3,634	
Depreciation	6,614		602	
Discounts given	19,565		21,727	
Sundry expenses	655		699	
Advertising & exhibitions	75,602		-	
Cleaning	1,820		-	
Motor vehicle expenses	6,753		-	
Medical insurance	319		-	
Postage	1,532		-	
Photocopier costs	1,941		-	
Rent, rates & service charge	17,952		-	
Special tests - overhead	200		-	
Subscriptions	1,284		-	
Telephone, fax etc	2,855		-	
Training	3,102		-	
Computer consumables	1,360		-	
Bad debts	(711)		316	
	(328,892)		(246,210)	
Net profit before taxation	£ 90,823		£ 3,707	