

Compstock Electronics Limited

Directors' report and financial statements

31 March 2010

Registered number 1208652

THURSDAY



A05 *AKHK2OTE* 292
04/11/2010
COMPANIES HOUSE

Compstock Electronics Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	2
Independent auditors' report to the members of Compstock Electronics Limited	3
Profit and loss account	5
Balance sheet	6
Notes	7

Compstock Electronics Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2010

Business review

The company did not trade during the year

Dividend and transfer to reserves

The directors do not recommend the payment of a dividend. The retained profit for the year to 31 March 2010 was £nil (2009 loss £26,793)

Directors

The directors who held office during the year were as follows

CJ Snowdon (Chairman)
DG Robertson

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board



SJ Bowers
Secretary

Concorde House
24 Warwick New Road
Leamington Spa
Warwickshire CV32 5JG

29 September 2010

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Independent auditors' report to the members of Compstock Electronics Limited

We have audited the financial statements of Compstock Electronics Limited for the year ended 31 March 2010 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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 directors and auditors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its results for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Compstock Electronics Limited
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



M Froom (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants

29 September 2010

Compstock Electronics Limited

Profit and loss account for the year to 31 March 2010

	<i>Note</i>	2010 £	2009 £
Administrative expenses		-	(26,793)
(Loss) on ordinary activities before taxation	2	-	(26,793)
Tax on (loss) on ordinary activities	4	-	-
(Loss) for the financial year	10, 11	-	(26,793)

The results for the year to 31 March 2010 and 31 March 2009 shown in the profit and loss account derive wholly from discontinued operations

Other than the (loss) for the year, the company had no recognised gains or losses in either the current or preceding year

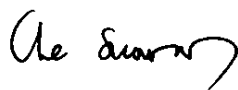
Compstock Electronics Limited

Balance sheet

as at 31 March 2010

	<i>Note</i>	2010	2009
		£	£
Fixed assets			
Investments	5	-	-
Current assets			
Debtors	6	1,417,429	1,417,429
Creditors falling due within one year	7	(51,500)	(51,500)
Net current assets		<u>1,365,929</u>	<u>1,365,929</u>
Total assets less current liabilities		<u>1,365,929</u>	<u>1,365,929</u>
Creditors falling due after more than one year	8	(851,029)	(851,029)
Net assets		<u>514,900</u>	<u>514,900</u>
Capital and reserves			
Called up share capital	9	140,100	140,100
Share premium account		399,900	399,900
Profit and loss account	10	(25,100)	(25,100)
Shareholders' funds	11	<u>514,900</u>	<u>514,900</u>

These financial statements were approved by the board of directors on 29 September 2010 and were signed on its behalf by



CJ Snowdon
Director

Registered number 1208652

Compstock Electronics Limited

Notes (forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. As permitted under s400 of the Companies Act 2006 the company has not prepared group accounts. Accordingly, these accounts present information for the company only.

In accordance with FRS1, a cash flow statement has not been prepared on the grounds that the company is a wholly owned subsidiary of a company which presents a consolidated cash flow statement in its accounts. As the company is a wholly owned subsidiary of Umeco plc, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

Investments

Fixed asset investments in subsidiary undertakings are stated at cost, less any provision for impairment.

Taxation

The charge for tax is based on the result for the year and takes into account tax deferred because of timing differences between the treatment of certain items for tax and accounting purposes except as otherwise required by FRS19. Liabilities are calculated on a non-discounted full provision basis. Assets are recognised on the same basis, but only to the extent that it is probable they will be recovered.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Compstock Electronics Limited

Notes (continued)

2 (Loss) on ordinary activities before taxation

(Loss) on ordinary activities before taxation is stated after charging
Impairment of investment £nil (2009 £26,793)

Auditors' remuneration payable to the company's auditors for the audit of the annual accounts was
£650 (2009 £650) This remuneration is borne by Umeco plc

3 Remuneration of directors

None of the directors received any remuneration from the company in either the current or preceding
year

Directors' remuneration for services as a director of the company is borne by Umeco plc

4 Taxation on (loss) on ordinary activities

	2010 £	2009 £
UK taxation (credit)/charge at 28% (2009 28%)		
- current year	-	-
- prior years	-	-
	<u> </u>	<u> </u>
Current taxation	-	-
	<u> </u>	<u> </u>

The tax credit is below (2009 below) the standard rate of UK corporation tax The reasons for this are
as follows

	2010 £	2009 £
(Loss) on ordinary activities before taxation	-	(26,793)
	<u> </u>	<u> </u>
(Loss) on ordinary activities before taxation multiplied by the standard rate of UK corporation tax	-	(7,502)
Effects of adjustment in respect of prior years	-	-
Disallowable expenditure	-	7,502
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

Compstock Electronics Limited

Notes (continued)

5 Fixed asset investment

	Shares in group undertakings £
Cost at start and end of year	51,793
Provision at start and end of year	(51,793)
Net book value at 31 March 2010	-
Net book value at 31 March 2009	-

The fixed asset investment represents an investment in the entire issued share capital of GW Stewart Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The company has been dormant throughout the current and preceding years.

6 Debtors

	2010 £	2009 £
<i>Amounts due within one year</i>		
Other debtors	-	60,000
<i>Amounts due after one year</i>		
Amounts owed by ultimate parent company	60,627	60,627
Amounts owed by fellow subsidiary undertakings	1,356,802	1,264,302
Other debtors	-	32,500
	<u>1,417,429</u>	<u>1,417,429</u>

Compstock Electronics Limited

Notes (continued)

7 Creditors falling due within one year

	2010 £	2009 £
Other creditors including tax and social security	500	1,500
Amounts owed to group undertakings	1,000	-
Accruals and deferred income	50,000	50,000
	<u>51,500</u>	<u>51,500</u>
<i>Other creditors including tax and social security comprise</i>		
Corporation tax	<u>500</u>	<u>1,500</u>

8 Creditors falling due after more than one year

	2010 £	2009 £
Amounts owed to fellow subsidiary undertakings	351,029	351,029
8 5% cumulative convertible preference shares of £1 each	300,000	300,000
8 5% cumulative redeemable preference shares of £1 each	200,000	200,000
	<u>851,029</u>	<u>851,029</u>

The cumulative redeemable preference shares are redeemable by the Company at par value in five annual instalments, commencing in 1992 or immediately in the event of a sale of the business or a financing. The Company may also voluntarily redeem the shares at any time. The cumulative convertible preference shares have conversion rights in the event of the sale or refinancing of the business. The conversion rate is to be determined in accordance with a formula detailed in the Articles of Association. Following conversion, the ordinary shares will rank pari passu with other ordinary shares in the Company.

All preference shareholders are entitled to receive a fixed cumulative dividend at the rate of 8.5% per annum on the nominal amount, however the holders of all of the preference shares have waived their entitlement to past and present dividends.

The redeemable preference shares rank ahead of the convertible preference shares as regards return of capital and payment of dividends. After repayment of their nominal value and any accrued unpaid dividend the convertible preference shares have a right of participation in the assets of the Company as though they had been converted into ordinary shares. The preference shares do not carry voting rights unless the preference dividends are in arrears or, in the case of the redeemable preference shares, any redemption instalments due have not been paid. Dividends on ordinary shares are only payable after dividends on preference shares. In the event of any distributions as a result of a winding up of the Company or other return of capital, the ordinary shareholders will be entitled, alongside the convertible preference shareholders, to the balance of any amounts after payments to the preference shareholders.

Compstock Electronics Limited

Notes (continued)

9 Share capital

	2010 £	2009 £
<i>Authorised, allotted, called up and fully paid</i>		
Ordinary shares of £1 each	140,100	140,100
8 5% cumulative convertible preference shares of £1 each	300,000	300,000
8 5% cumulative redeemable preference shares of £1 each	200,000	200,000
	<u>640,100</u>	<u>640,100</u>
<i>Shares classified as liabilities</i>		
8 5% cumulative convertible preference shares of £1 each	300,000	300,000
8 5% cumulative redeemable preference shares of £1 each	200,000	200,000
	<u>500,000</u>	<u>500,000</u>
<i>Shares classified in shareholders funds</i>		
Ordinary shares of £1 each	140,100	140,100
	<u>640,100</u>	<u>640,100</u>

In the event of any distributions as a result of a winding up of the Company or other return of capital, the ordinary shareholders will be entitled, alongside the convertible preference shareholders, to the balance of any amounts after payments to the preference shareholders

10 Reserves

	2010 £	2009 £
At the beginning of the year	(25,100)	1,693
(Loss) for the financial year	-	(26,793)
	<u>(25,100)</u>	<u>(25,100)</u>

11 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
(Loss) for the financial year	-	(26,793)
Net change in shareholders' funds	<u>-</u>	<u>(26,793)</u>
Opening shareholders' funds	514,900	541,693
Closing shareholders' funds	<u>514,900</u>	<u>514,900</u>

Compstock Electronics Limited

Notes *(continued)*

12 **Contingent liabilities**

Under a group banking facility, the company is jointly and severally liable for the bank borrowings of certain other group companies. At 31 March 2010 this contingent liability amounted to £132,087,481 (2009 £162,568,369)

Under a group registration facility, the company is jointly and severally liable for value added tax and bank borrowings due by certain other group companies. At 31 March 2010 this contingent liability amounted to £716,479 (2009 £815,602)

13 **Ultimate holding company and ultimate controlling party**

The ultimate holding company and ultimate controlling company is Umeco plc, a company incorporated in Great Britain and registered in England and Wales

The results of the company are included in the consolidated accounts of Umeco plc which are available to the public and may be obtained from Umeco plc, Concorde House, 24 Warwick New Road, Leamington Spa, Warwickshire, CV32 5JG. No other group accounts include the results of the company