

M.T.S. ELECTRONICS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 5th APRIL, 1983

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were those of a Holding Company.

DIVIDEND

The Directors do not recommend the payment of a dividend.

TRADING RESULTS

During the financial year the Company achieved a break even trading result which has been duly noted on the Balance Sheet.

TAXATION STATUS

The Company is a close Company within the terms of the Income and Corporation Taxes Act, 1970.

FIXED ASSETS

The movement of the fixed assets of the Company are as shown in Note 1 to the Accounts.

AUDITOR

Dennis C. Audley, F.C.C.A., has indicated his willingness to continue in office as Auditor to the Company.

DIRECTORS' INTERESTS

The Directors of the Company and their interests throughout the financial year, including family interests, in the shares of the Company, were as follows:

	£1 Ordinary Shares fully paid	
	5.4.83	5.4.82
J.A. Roos, Esq	90	90
Mrs S.F. Pidgeon	10	10
	<u>100</u>	<u>100</u>

By Order of the Board

CHAIRMAN

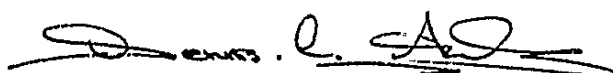


M.T.S. ELECTRONICS HOLDINGS LIMITED

To the members of M.T.S. ELECTRONICS HOLDINGS LIMITED

I have audited the Accounts attached hereto in accordance with approved auditing standards.

In my opinion the Accounts, which have been prepared under the historical cost convention give, under that convention, a true and fair view of the state of affairs of the Company and the Group at 5th April, 1983, and of the profit and source and application of funds of the Group for the year then ended, and comply with the Companies Acts, 1948 to 1981, in so far as the provisions of the Companies Act, 1981 are applicable to this Company.



Dennis C. Audley, F.C.C.A.

4th October, 1983

ACCOUNTING POLICIES

GENERAL

The group accounts consolidate the accounts of the holding company and subsidiaries, all of which are made up to 5th April, 1983.

TURNOVER

Turnover comprises the invoice value, excluding value added tax, of goods and services supplied to customers.

DEPRECIATION

The charge for the financial year has been calculated by revaluing the fixed assets as at the accounting date. Freehold premises have not been revalued and are shown at cost.

RESEARCH AND DEVELOPMENT

All expenditure, except that incurred on buildings and plant, is charged against income as it is incurred.

INTEREST IN SUBSIDIARIES

Shares in subsidiaries are stated at the value attributed to the net tangible assets acquired at the dates of their acquisition and after adjustments in respect of subsequent profits and losses.

ASSOCIATED COMPANIES

Those companies in whose commercial and financial policy decisions the group participates, and in which the group holds at least 20% of the equity, though not a controlling interest, are treated as associated companies.

STOCKS

Stocks are stated at the lower of cost and estimated net realisable value. Cost includes appropriate overheads, and is determined on the 'first in, first out' or average cost basis.

RATES OF EXCHANGE

Assets and liabilities and trading results expressed in foreign currencies are translated into sterling at rates ruling at the year end.

SUBSIDIARY COMPANY BALANCES

Subsidiary company balances have been included in the Balance Sheet at 5th April, 1983 on a net basis.

M.T.S. ELECTRONICS HOLDINGS LIMITED

BALANCE SHEET AS AT 5th APRIL, 1983

			5.4.82
	Notes	£	£
FIXED ASSETS	1	188,963	168,158
Hire Purchase Liabilities		(52,884)	(55,169)
		<u>136,079</u>	<u>112,989</u>
UNQUOTED INVESTMENT	6	45,726	36,020
INVESTMENT IN ASSOCIATED COMPANY		50,818	4,531
CURRENT ASSETS			
Trade Debtors		5,386	2,860
Sundry Debtors and Prepaid Expenses		3,105	5,665
Cash at Bank		8,710	10,041
Cash in Hand		79	22
		<u>17,280</u>	<u>18,588</u>
CURRENT LIABILITIES			
Sundry Creditors and Accrued Expenses		248,958	171,183
NET CURRENT LIABILITIES		(231,678)	(152,595)
		<u>£ 945</u>	<u>£ 945</u>
FINANCED BY:-			
SHARE CAPITAL	2	100	100
SHARE PREMIUM ACCOUNT	3	845	845
REVENUE RESERVES			
Profit and Loss Account		-	-
		<u>£ 945</u>	<u>£ 945</u>

M.T.S. ELECTRONICS HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5th APRIL, 1983

		1982
	£	£
TRADING PROFIT for the Year	-	112
after charging:		
Directors' Remuneration	53,141	92,462
Auditor's Remuneration	2,000	2,250
Bank Charges and Interest (Net)	1,037	515
Depreciation	79,165	102,618
Legal and Professional fees	6,546	15,067
Hire Purchase Interest	9,621	12,190
Leasing Charges	8,718	10,635
Provision for Corporation Tax based on the results for the Year	-	112
TRADING PROFIT, after Taxation	-	-
UNDISTRIBUTED PROFITS brought forward	-	-
UNDISTRIBUTED PROFITS carried forward	£ -	£ -

M.T.S. ELECTRONICS HOLDINGS LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 1

FIXED ASSETS

	Freehold Premises	Plant and Equipment	Improvements to Buildings	Office Equipment, Fixtures & Fittings	Motor Vehicles	Computer Installation	Commercial Electronic Equipment	TOTAL
	£	£	£	£	£	£	£	£
At Cost b/fwd at 6.4.82	43,238	33,997	1,483	36,320	30,201	24,833	194,342	364,414
Additions During the Year	-	-	-	1,755	-	-	98,215	99,970
	<u>43,238</u>	<u>33,997</u>	<u>1,483</u>	<u>38,075</u>	<u>30,201</u>	<u>24,833</u>	<u>292,557</u>	<u>464,384</u>
DEPRECIATION								
Brought forward at 6.4.82	-	24,997	1,483	30,320	23,201	21,833	94,424	196,256
Charge for the Year	-	3,000	-	2,755	2,000	1,000	70,410	79,165
	<u>-</u>	<u>27,997</u>	<u>1,483</u>	<u>33,075</u>	<u>25,201</u>	<u>22,833</u>	<u>164,832</u>	<u>275,421</u>
NET BOOK VALUES								
CARRIED FORWARD AT 5.4.83	<u>£ 43,238</u>	<u>£ 6,000</u>	<u>£ -</u>	<u>£ 5,000</u>	<u>£ 5,000</u>	<u>£ 2,000</u>	<u>£ 127,725</u>	<u>£ 188,963</u>

M.T.S. ELECTRONICS HOLDINGS LIMITED

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 2

SHARE CAPITAL

Authorised: 50,000 Ordinary Shares of £1 each.
Issued: 100 Ordinary Shares of £1 each, fully paid.

NOTE 3

SHARE PREMIUM ACCOUNT

	<u>£</u>
Value of Shares acquired from J.A. Roos, Esq., in Subsidiary Companies	1,700
Nominal Value of Shares issued in Exchange	98
	<u>1,602</u>
Stamp Duty Paid	(757)
SHARE PREMIUM	<u>£ 845</u>

NOTE 4

DIRECTORS' REMUNERATION

	<u>£</u>
J.A. Roos, Esq (Chairman)	24,011
Mrs S.F. Pidgeon	17,809
Employer's N.I.C.	2,334
Pension Contributions	8,987
	<u>£ 53,141</u>

M.T.S. ELECTRONICS HOLDINGS LIMITED

CALCULATION OF MANAGEMENT CHARGES TO GROUP COMPANIES
FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 5

Total Costs incurred by "Holdings"		Multi Trade Services Limited.	M.T.S. Heating Limited	M.T.S. Electronics Limited
<u>£</u>		<u>£</u>	<u>£</u>	<u>£</u>
53,141	Directors' Salaries Drawn: M.T.S. Electronics Holdings Limited	17,714	17,714	17,713
107,994	Other Expenses	78,217	23,214	6,563
<u>£ 161,135</u>		<u>£ 95,931</u>	<u>£ 40,928</u>	<u>£ 24,276</u>

NOTE 6

UNQUOTED INVESTMENT

	<u>£</u>
Brought forward as at 6.4.82	36,020
Multi Trade Services Limited: 499 Ordinary Shares of £1 each - at cost including Stamp Duty	9,682
M.T.S. Heating Limited: 24 Ordinary Shares of £1 each	24
AS PER BALANCE SHEET	<u>£ 45,726</u>

M.T.S. GROUP OF COMPANIES

SOURCES AND APPLICATION OF FUNDS STATEMENT
FOR THE YEAR ENDED 5th APRIL, 1983

			1982	
	£	£	£	£
SOURCE OF FUNDS				
GROUP PROFIT/(LOSS) for the Year, after Tax		6,901	(43,342)	
Depreciation (Net)		89,165	110,618	
Profits Generated		96,066	67,276	
Additional Hire Purchase Facilities		57,482	-	
Movement on Directors' Current Accounts	(531)	-	2,000	
Sale of Fixed Assets		-	11,500	
Funds Generated		153,017	80,776	
APPLICATION OF FUNDS				
Hire Purchase Repayments	59,767		86,584	
Purchase of Fixed Assets	99,970		47,538	
Purchase of Shares in Subsidiary Company	9,706		-	
Investment in Associated Company	46,287		2,561	
		215,730	136,683	
INCREASE/(DECREASE) IN NET LIQUID FUNDS				
		£(62,713)	£ (55,907)	
Net Liquid Funds at 5.4.82	(35,836)		20,071	
at 5.4.83	(98,549)		(35,836)	
		£(62,713)	£ (55,907)	

M.T.S. GROUP OF COMPANIES

CONSOLIDATED BALANCE SHEET AS AT 5th APRIL, 1983

			5.4.82
	Notes	£	£
FIXED ASSETS	1	208,963	198,158
Fire Insurance Liabilities		(52,884)	(55,169)
		156,079	142,989
INVESTMENT IN ASSOCIATED COMPANY	2	50,818	4,531
CURRENT ASSETS			
Trade Debtors and Factors less Provision for Doubtful Debts		163,578	109,971
Stock on Hand and Work in Progress		10,055	7,202
Sundry Debtors and Prepaid Expenses		10,300	9,458
Cash at Bank (Net)		8,802	10,131
Cash in Hand		130	500
		192,865	137,262
CURRENT LIABILITIES			
Sundry Creditors and Accrued Expenses		291,414	173,098
NET CURRENT ASSETS/(LIABILITIES)		(98,549)	(35,836)
		£ 108,348	£ 111,684
FINANCED BY:-			
SHARE CAPITAL	3	100	100
SHARE PREMIUM ACCOUNT	4	845	845
DIRECTORS' CURRENT ACCOUNTS	5	-	531
MINORITY INTERESTS IN SUBSIDIARIES	6	(13,193)	36,480
REVENUE RESERVES			
Profit and Loss Account		120,596	73,728
		£ 108,348	£ 111,684

M.T.S. GROUP OF COMPANIES

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ANALYSED CONSOLIDATED BALANCE SHEET AS AT 5th APRIL, 1983

	Notes	£	£	M.T.S. Electronics Holdings Limited	Multi Trade Services Limited	M.T.S. Heating Electronics Limited	M.T.S. Property Development Company Limited	M.T.S. Components Limited	M.T.S. Electronic Instrument Hire Limited	M.T.S. Offshore Limited
FIXED ASSETS	1	208,953		188,963	20,000	-	-	-	-	-
Hire Purchase Liabilities		(52,884)		(52,884)	-	-	-	-	-	-
INVESTMENT IN ASSOCIATED COMPANY 2		156,079		136,079	20,000	-	-	-	-	-
UNQUOTE D CURRENT		50,818		50,818	-	-	-	-	-	-
		-	(45,726)	45,726	-	-	-	-	-	-
CURRENT ASSETS										
Trade Debtors & Factors less Provision for Doubtful Debts		163,578	(255)	5,385	107,991	16,625	33,831	-	-	-
Stock on Hand & Work in Progress		10,055		-	-	-	10,055	-	-	-
Sundry Debtors & Prepaid Expenses		10,300	(131,059)	3,105	96,983	35,382	4,347	100	1,435	7
Cash at Bank (Net)		8,802		8,710	92	-	-	-	-	-
Cash in Hand		130		79	27	14	10	-	-	-
		192,865		17,280	205,093	52,021	48,243	100	1,435	7
CURRENT LIABILITIES										
Sundry Creditors & Accrued Expenses		291,414	(131,314)	248,958	42,099	23,100	102,899	417	255	-
NET CURRENT ASSETS/ (LIABILITIES)		(98,549)		(231,678)	162,994	23,921	(54,656)	(417)	1,180	7
		£ 108,348	(45,726)	945	182,994	23,921	(54,656)	(417)	1,180	7
FINANCED BY:-										
SHARE CAPITAL	3	100	(2,502)	100	2,000	100	100	100	100	2
SHARE PREMIUM ACCOUNT	4	845		845	-	-	-	-	-	-
DIRECTORS' CURRENT ACCOUNTS	5	-		-	-	-	-	-	-	-
MINORITY INTERESTS				-	-	-	-	-	-	-
IN SUBSIDIARIES	6	(13,193)	(13,193)	-	-	-	-	-	-	-
REVENUE RESERVES		120,596	(30,031)	-	180,994	23,821	(54,756)	(517)	1,080	5
Profit & Loss Account		£108,348	(45,726)	945	182,994	23,921	(54,656)	(417)	1,180	7

M.T.S. GROUP OF COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5th APRIL, 1983

		1982
	£	£
Group Turnover	2,466,405	2,300,162
TRADING PROFIT/(LOSS) for the Group	54,401	(43,230)
after charging:		
Directors' Remuneration	98,382	144,420
Auditor's Remuneration	6,500	8,000
Factoring Charges and Interest	71,070	71,044
Bank Charges and Interest	1,037	515
Depreciation	89,165	110,618
Hire Purchase Interest	9,621	12,314
Legal and Professional fees	9,448	17,123
Leasing Charges	12,356	20,435
and after crediting:		
Bad Debts Recovered	110	-
Proceeds of Sale of Leased Vehicle	2,000	-
Provision for Corporation Tax based on the results for the Year	-	112
Compensation to Former Director	47,500	-
	47,500	112
GROUP TRADING PROFITS/(LOSSES) after Taxation	£ 6,901	£ (43,342)
Attributable to Minority Shareholders	15,607	10,836
Transferred from Revenue Reserve on Consolidation	24,360	-
	46,868	(32,506)
UNDISTRIBUTED PROFITS brought forward	73,728	106,234
UNDISTRIBUTED PROFITS carried forward	£ 120,596	£ 73,728

M. T. S. GROUP OF COMPANIES

NOTES TO AND FORMING PART OF THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 1

FIXED ASSETS

	Freehold Premises	Plant and Equipment	Improvements to Buildings	Office Equipment, Fixtures & Fittings	Motor Vehicles	Computer Installation	Commercial Electronic Equipment	TOTAL
	£	£	£	£	£	£	£	£
At Cost b/fwd at 6.4.82	43,238	33,997	1,483	36,320	30,201	122,050	194,342	461,631
Additions During the Year	-	-	-	1,755	-	-	98,215	99,970
	<u>43,238</u>	<u>33,997</u>	<u>1,483</u>	<u>38,075</u>	<u>30,201</u>	<u>122,050</u>	<u>292,557</u>	<u>561,601</u>
DEPRECIATION								
Brought forward at 6.4.82	-	24,997	1,483	30,320	23,201	89,050	94,422	263,473
Charge for the Year	-	3,000	-	2,755	2,000	11,000	70,410	89,165
	<u>-</u>	<u>27,997</u>	<u>1,483</u>	<u>33,075</u>	<u>25,201</u>	<u>100,050</u>	<u>164,832</u>	<u>352,638</u>
NET BOOK VALUES								
CARRIED FORWARD AT 5.4.83	<u>£ 43,238</u>	<u>£ 6,000</u>	<u>£ -</u>	<u>£ 5,000</u>	<u>£ 5,000</u>	<u>£ 22,000</u>	<u>£ 127,725</u>	<u>£ 208,963</u>

M.T.S. GROUP OF COMPANIES

NOTES TO AND FORMING PART OF THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 2

INVESTMENT IN ASSOCIATED COMPANY

Bridgespire Limited: 20 Ordinary Shares of £1 each, fully paid.
(20% Holding)

	£
Brought forward at 6.4.82	4,531
Net Funds Provided on loan during the Year	46,287
	<u>50,818</u>
£	<u>50,818</u>

NOTE 3

SHARE CAPITAL

Authorised: 50,000 Ordinary Shares of £1 each.
Issued: 100 Ordinary Shares of £1 each, fully paid.

NOTE 4

SHARE PREMIUM ACCOUNT	£
Value of Shares acquired from J.A. Roos, Esq., in Subsidiary Companies (as per Share Transfer documents)	1,700
Nominal Value of Shares issued in exchange to J.A. Roos, Esq	98
	<u>1,602</u>
Stamp Duty Paid	(757)
SHARE PREMIUM	£ <u>845</u>

NOTE 5

DIRECTORS' CURRENT ACCOUNTS	£	
J.A. Roos, Esq	-	CR
S.J.L. Howse, Esq	-	CR
J. M. Saunders, Esq	-	CR
M.J. Street, Esq	-	CR
Mrs S.F. Pidgeon	-	CR
	<u>-</u>	
£	<u>-</u>	CR

M.T.S. GROUP OF COMPANIES

NOTES TO AND FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 5th APRIL, 1983

NOTE 6

MINORITY INTERESTS

	Multi Trade Services Limited	M.T.S. Heating Limited	M.T.S. Electronics Limited	M.T.S. Components Limited	M.T.S. Electronic Instrument Hire Limited	M.T.S. Offshore Limited	M.T.S. Property Development Company Limited	TOTAL
	£	£	£	£	£	£	£	£
Brought forward at 6.4.82	38,518	(4,557)	2,378	25	118	2	(4)	36,480
Transfer to Revenue Reserves on Consolidation (38,441)	4,375						(34,066)
	<u>77</u>	<u>(182)</u>						<u>2,414</u>
Proportion of Profits/ (Losses) for the Year	14	421	(16,042)	-	-	-	-	(15,607)
	<u>£ 91</u>	<u>£ 239</u>	<u>£(13,664)</u>	<u>£ 25</u>	<u>£ 118</u>	<u>£ 2</u>	<u>£ (4)</u>	<u>£ (13,193)</u>

NOTE 7

REVENUE RESERVE ON CONSOLIDATION

(Purchase of 499 and 24 Ordinary
£1 Shares respectively from former
Directors)

Revenue Reserves acquired	£
Purchase Price including	34,066
Stamp Duty	9,706
	<u>£ 24,360</u>