

COMPANY REGISTRATION NUMBER 2030212

PBSI LIMITED
FINANCIAL STATEMENTS
FOR
30 JUNE 2006

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COMPANIES HOUSE

UHY HACKER YOUNG

Chartered Accountants & Registered Auditors

St. John's Chambers

Love Street

Chester

CH1 1ON

PBSI LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2006

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PBSI LIMITED**THE DIRECTORS' REPORT****YEAR ENDED 30 JUNE 2006**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year were the design, manufacture and distribution of electrical and electronic equipment for industry.

The company is experiencing a period of sustained sales growth which the directors expect to continue due to market conditions and investment in new and enhanced products.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £296,658. Particulars of dividends paid and proposed are detailed in note 9 to the financial statements.

Dividends paid and proposed for the year to 30th June 2006 amounted to £66,908.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

*****Insert text here to explain the following:*****

Financial risk management objectives and policies

a) the financial risk management objectives and policies of the company including the policy for hedging each major type of forecasted transaction for which hedge accounting is used; and

b) the exposure of the company to price risk, credit risk, liquidity risk and cash flow risk;

unless such information is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2006	At 1 July 2005
Mr H A Corbin	62,166	62,166
Mr K M Hamilton	23,568	23,568
Mr N A L Whitbread	181,275	181,275
Mr G J V Manning	-	-
Mr D Hampson	-	-
Mr L P Wright	-	-

Mr H A Corbin is the controlling shareholder of Price and Belsham Limited, which is registered as the holder of 99,507 ordinary shares (2005 99,507).

PBSI LIMITED**THE DIRECTORS' REPORT** *(continued)***YEAR ENDED 30 JUNE 2006****DONATIONS**

During the year the company made the following contributions:

	2006	2005
	£	£
Charitable	<u>1,153</u>	<u>120</u>

AUDITOR

A resolution to re-appoint UHY Hacker Young as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Belle Vue Works
Boundary Street
Manchester
M12 5NG

Signed by order of the directors



N A L WHITBREAD
Company Secretary

Approved by the directors on 8 December 2006

PBSI LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES****YEAR ENDED 30 JUNE 2006**

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent;
- 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 proper accounting records that 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 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

PBSI LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
PBSI LIMITED****YEAR ENDED 30 JUNE 2006**

We have audited the financial statements of PBSI Limited for the year ended 30 June 2006 on pages 6 to 19, which have been prepared on the basis of the accounting policies set out on pages 9 to 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor's 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 AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors 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.

PBSI LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
PBSI LIMITED** *(continued)*

YEAR ENDED 30 JUNE 2006

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 misstatement, 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.

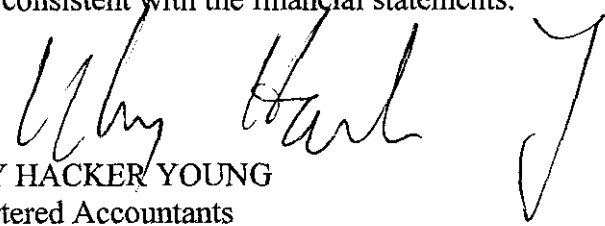
OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

St. John's Chambers
Love Street
Chester
CH1 1QN

8 December 2006


UHY HACKER YOUNG
Chartered Accountants
& Registered Auditors

PBSI LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 JUNE 2006**

	Note	2006 £	2005 £
TURNOVER	2	6,080,828	4,676,665
Cost of sales		<u>3,565,238</u>	<u>2,690,923</u>
GROSS PROFIT		2,515,590	1,985,742
Distribution Costs		<u>56,901</u>	<u>53,558</u>
Administrative expenses		<u>2,095,113</u>	<u>1,727,237</u>
OPERATING PROFIT	3	363,576	204,947
Interest receivable	6	1,690	229
Interest payable and similar charges	7	(13,862)	(20,464)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		351,404	184,712
Tax on profit on ordinary activities	8	54,746	(8,221)
RETAINED PROFIT FOR THE FINANCIAL YEAR		296,658	192,933
Balance brought forward		<u>2,174,148</u>	<u>2,014,669</u>
Balance carried forward		<u><u>2,470,806</u></u>	<u><u>2,207,602</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

PBSI LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****YEAR ENDED 30 JUNE 2006****RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2006 £	2005 £
Profit for the financial year	296,658	192,933
Opening shareholders' equity funds	<u>2,840,520</u>	<u>2,681,041</u>
Closing shareholders' equity funds	<u>3,137,178</u>	<u>2,873,974</u>

The notes on pages 9 to 19 form part of these financial statements.

PBSI LIMITED**BALANCE SHEET****30 JUNE 2006**

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	10	1,440,477	1,394,798
Investments	11	394,398	394,398
		<u>1,834,875</u>	<u>1,789,196</u>
CURRENT ASSETS			
Stocks	12	1,306,034	1,087,849
Debtors	13	1,388,189	1,366,111
Cash at bank and in hand		417,670	509
		<u>3,111,893</u>	<u>2,454,469</u>
CREDITORS: Amounts falling due within one year	14	<u>1,350,158</u>	<u>865,578</u>
NET CURRENT ASSETS		<u>1,761,735</u>	<u>1,588,891</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,596,610</u>	<u>3,378,087</u>
CREDITORS: Amounts falling due after more than one year	15	<u>464,736</u>	<u>480,743</u>
		<u>3,131,874</u>	<u>2,897,344</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	61,605	56,824
		<u>3,070,269</u>	<u>2,840,520</u>
CAPITAL AND RESERVES			
Called-up equity share capital	19	446,058	446,058
Revaluation reserve		181,990	181,990
Other reserves	20	38,324	38,324
Profit and loss account		2,403,897	2,174,148
SHAREHOLDERS' FUNDS		<u>3,070,269</u>	<u>2,840,520</u>

These financial statements were approved by the directors on the 8 December 2006 and are signed on their behalf by:

MR H A CORBIN

Director



Mr D HAMPSON

Director



PBSI LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-FRS 21 'Events after the Balance Sheet date (IAS 10)'; and

-the presentation requirements of FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'.

FRS 21 'Events after the Balance Sheet date (IAS 10)'

FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Fixed assets

All fixed assets are initially recorded at cost.

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****1. ACCOUNTING POLICIES** *(continued)***Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 15% p a reducing balance
Computer equipment	- 25% p a straight line
Motor Vehicles	- 25% p a reducing balance

Freehold Property is not depreciated as, in the Directors' opinion, these assets have a useful economic life of more than 50 years.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

The company operates both a defined contribution pension scheme and a defined contribution pension plan for employees. The assets of the scheme are separately from those of the company. The annual contributions are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where the transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****1. ACCOUNTING POLICIES** *(continued)***Financial instruments****Deferred government grants**

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. TURNOVER

The turnover and profit before tax are attributable to the principal activity of the company.

An analysis of turnover is given below:

	2006 £	2005 £
United Kingdom	3,888,139	2,961,959
Overseas	2,192,689	1,714,706
	<u>6,080,828</u>	<u>4,676,665</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2006 £	2005 £
Amortisation of government grants re fixed assets	—	(100,000)
Amortisation	—	26,000
Research and development expenditure written off	9,152	—
Depreciation of owned fixed assets	55,820	59,592
Depreciation of assets held under hire purchase agreements	42,289	39,585
Loss on disposal of fixed assets	2,470	1,010
Auditor's remuneration		
- as auditor	6,080	6,000
- for other services	<u>2,800</u>	<u>3,400</u>

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	2006	2005
	No	No
Engineering, production and sales staff	83	75
Management and administration	10	10
	<u>93</u>	<u>85</u>

The aggregate payroll costs of the above were:

	2006	2005
	£	£
Wages and salaries	1,888,623	1,695,924
Social security costs	242,398	161,159
Other pension costs	93,185	52,079
	<u>2,224,206</u>	<u>1,909,162</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2006	2005
	£	£
Emoluments receivable	249,035	216,770
Value of company pension contributions to money purchase schemes	19,378	19,126
	<u>268,413</u>	<u>235,896</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2006	2005
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>
Average number of serving directors	6	6

6. INTEREST RECEIVABLE

	2006	2005
	£	£
Bank interest receivable	<u>1,690</u>	<u>229</u>

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****7. INTEREST PAYABLE AND SIMILAR CHARGES**

	2006	2005
	£	£
Interest payable on bank borrowing	1,676	8,798
Finance charges	12,186	11,666
	<u>13,862</u>	<u>20,464</u>

8. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2006	2005
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19% (2005 - 19%)	49,965	-
(Over)/under provision in prior year	-	(24,380)
Total current tax	<u>49,965</u>	<u>(24,380)</u>
Deferred tax:		
Origination and reversal of timing differences	4,781	16,159
Tax on profit on ordinary activities	<u>54,746</u>	<u>(8,221)</u>

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****8. TAXATION ON ORDINARY ACTIVITIES** *(continued)***(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2005 - 19%).

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>351,404</u>	<u>184,712</u>
Profit/(loss) on ordinary activities by rate of taxation	66,767	35,374
Excess capital allowances	(4,790)	(1,163)
Research & development	(4,750)	(7,600)
Loss b/fwd set against current year's profit	7,605	(27,191)
Unprovided tax credit from previous year	-	(24,380)
Sundry tax adjusting items	<u>343</u>	<u>580</u>
Total current tax (note 8(a))	<u>65,175</u>	<u>(24,380)</u>

 ***** **THERE IS AN ERROR IN BALANCES WITHIN THIS NOTE**

The tax charge in Tax on ordinary activities for current tax above	(49,965)	24,380
The current tax charge in the "factors affecting" section immediately above is	<u>65,175</u>	<u>(24,380)</u>
Difference, please check:	<u>15,210</u>	<u>-</u>

9. DIVIDENDS**Equity dividends**

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares	<u>33,454</u>	<u>-</u>
Proposed		
Equity dividends on ordinary shares	-	33,454
Equity dividends on ordinary shares	<u>33,454</u>	<u>-</u>
	<u>33,454</u>	<u>33,454</u>

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****10. TANGIBLE FIXED ASSETS**

	Freehold Property £	Plant & Machinery £	Computer equipment £	Motor Vehicles £	Total £
COST OR VALUATION					
At 1 July 2005	916,521	1,262,469	232,473	180,168	2,591,631
Additions	—	100,874	8,104	40,781	149,759
Disposals	—	—	—	(18,653)	(18,653)
At 30 June 2006	916,521	1,363,343	240,577	202,296	2,722,737
DEPRECIATION					
At 1 July 2005	—	888,215	212,728	95,890	1,196,833
Charge for the year	—	61,604	9,330	27,175	98,109
On disposals	—	—	—	(12,682)	(12,682)
At 30 June 2006	—	949,819	222,058	110,383	1,282,260
NET BOOK VALUE					
At 30 June 2006	916,521	413,524	18,519	91,913	1,440,477
At 30 June 2005	916,521	374,254	19,745	84,278	1,394,798

The property was last valued in 2002 and the directors consider that there has been no material change to its value since then.

Hire purchase agreements

Included within the net book value of £1,440,477 is £198,655 (2005 - £207,250) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £42,289 (2005 - £39,585).

11. INVESTMENTS**Investment in subsidiaries**

	£
COST	
At 1 July 2005 and 30 June 2006	394,398
NET BOOK VALUE	
At 30 June 2006	394,398
At 30 June 2005	394,398

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****11. INVESTMENTS** *(continued)*

The company owns 100% of the issued share capital of the companies listed below,

P & B Engineering Company Limited
 Shakeshaft Panel Limited
 Cubicle Enclosure Systems Limited
 Westminster Detectors (2004)Limited
 J Bonden (2004) Limited

P & B Engineering Limited owns 56.67% of the issued share capital of Multilink Control Systems Limited.

Shakeshaft Panel Limited owns the whole of the issued share capital of Enclosure Systems Engineering Limited.

All of the above companies are incorporated in England and none of them traded in the year to 30 June 2006.

12. STOCKS

	2006	2005
	£	£
Raw materials	850,895	819,305
Work in progrss	428,849	251,396
Finished goods	26,290	17,148
	<u>1,306,034</u>	<u>1,087,849</u>

13. DEBTORS

	2006	2005
	£	£
Trade debtors	1,345,179	1,307,091
Corporation tax repayable	—	24,380
Other debtors	20,991	14,115
Prepayments and accrued income	22,019	20,525
	<u>1,388,189</u>	<u>1,366,111</u>

The debtors above include the following amounts falling due after more than one year:

	2006	2005
	£	£
Trade debtors	—	67,665

Other Debtors at 30 June 2006 included an amount of £9,671 due from Mr K Hamilton, a Director of the Company . This amount is due under the Company Car Loan Scheme.

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****14. CREDITORS: Amounts falling due within one year**

	2006 £	2005 £
Bank loans and overdrafts	—	87,852
Trade creditors	821,974	424,359
Other creditors including taxation and social security:		
Corporation tax	49,890	—
Other taxation and social security	70,542	137,652
Hire purchase agreements	51,833	60,420
Dividends payable	66,908	33,454
	<u>1,061,147</u>	<u>743,737</u>
Accruals and deferred income	289,011	121,841
	<u>1,350,158</u>	<u>865,578</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2006 £	2005 £
Bank loans and overdrafts	—	87,852
Hire purchase creditors	51,833	60,420
	<u>51,833</u>	<u>148,272</u>

15. CREDITORS: Amounts falling due after more than one year

	2006 £	2005 £
Other creditors:		
Hire purchase agreements	70,338	86,345
Amounts owed to Group Companies	394,398	394,398
	<u>464,736</u>	<u>480,743</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2006 £	2005 £
Hire purchase creditors	<u>70,338</u>	<u>86,345</u>

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows:

	2006 £	2005 £
Amounts payable within 1 year	51,833	60,420
Amounts payable between 2 to 5 years	70,338	86,345
	<u>122,171</u>	<u>146,765</u>

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2006 £	2005 £
Provision brought forward	56,824	40,665
Profit and loss account movement arising during the year	4,781	16,159
Provision carried forward	<u>61,605</u>	<u>56,824</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2006 £	2005 £
Excess of taxation allowances over depreciation on fixed assets	61,605	56,824
	<u>61,605</u>	<u>56,824</u>

18. DERIVATIVES**19. RELATED PARTY TRANSACTIONS**

There is no overall controlling party.

PBSI LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2006****20. SHARE CAPITAL****Authorised share capital:**

	2006 £	2005 £
550,000 Ordinary shares of £1 each	<u>550,000</u>	<u>550,000</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>446,058</u>	<u>446,058</u>	<u>446,058</u>	<u>446,058</u>

21. OTHER RESERVES

	2006 £	2005 £
Capital redemption reserve	<u>38,324</u>	<u>38,324</u>

22. PROFIT AND LOSS ACCOUNT

	2006 £	2005 £
Balance brought forward	2,174,148	2,014,669
Profit for the financial year	296,658	192,933
Equity dividends proposed (FRS 25)	(33,454)	(33,454)
Equity dividends paid (FRS 25)	(33,455)	-
Balance carried forward	<u>2,403,897</u>	<u>2,174,148</u>