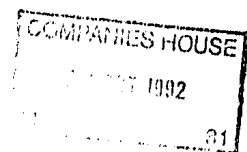


ABER INSTRUMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1992

COMPANY NUMBER: 2213855



ABER INSTRUMENTS LIMITED

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1992

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2	Auditors' report to the Members
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ABER INSTRUMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 1992

The directors present herewith their annual report, together with the audited financial statements of the company for the year ended 30th June 1992.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £56,922.

The directors do not recommend payment of a dividend for the current year, (1991:£Nil).

REVIEW OF THE BUSINESS

The company's principal activity is the manufacture and development of electronic equipment.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year and their interests in the share capital of the company at the beginning and end of the year were as follows:

	<u>Number of shares</u>	
	<u>30th June</u> 1992	<u>30th June</u> 1991
Mr B. Wise	1	1
Mr E.W Todd	1	1
Mr D.B Kell	1	1
Mr J.D. Williams	-	-

FIXED ASSETS

The movements in fixed assets during the year are set out in note 10 to the financial statements.

AUDITORS

It is proposed that the company's present auditors, Patterson, Jones & Evans Chartered Accountants, formerly Kyffin & Co., be reappointed as auditors to the company to hold office for the ensuing year.

By Order of the Board

Date: 12 OCTOBER 1992

Bany Wise
Secretary

AUDITORS' REPORT TO THE MEMBERS OF
ABER INSTRUMENTS LIMITED

We have audited the financial statements on pages 3 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 30th June 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Patterson, Jones & Evans.

PATTERSON, JONES & EVANS
CHARTERED ACCOUNTANTS & REGISTERED AUDITOR
16 Bridge St.
Lampeter,
Dyfed.

Date...14.10.92.....

ABER INSTRUMENTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1992

	Notes	£	1992 £	£	1991 £
TURNOVER	2		365,357		121,393
COST OF SALES			121,882		23,133
GROSS PROFIT			243,475		98,260
ADMINISTRATION COSTS			187,279		107,328
			56,196		(9,068)
Other operating income	3		42,856		31,362
OPERATING PROFIT	4/5		99,052		22,294
Interest receivable and similar income	6	761		609	
Interest payable & similar charges	7	(22,490)		(8,291)	
			(21,729)		(7,682)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			77,323		14,612
Tax on ordinary activities	8		20,401		-
RETAINED PROFIT FOR THE YEAR			56,922		14,612
Retained (deficit) brought forward			(4,664)		(19,276)
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD			£ 52,258		£ (4,664)

The notes on pages 5 to 11 form part of these financial statements

ABER INSTRUMENTS LIMITED

BALANCE SHEET
AS AT 30TH JUNE 1992

	<u>Notes</u>	<u>£</u>	<u>1992</u> <u>£</u>	<u>£</u>	<u>1991</u> <u>£</u>
FIXED ASSETS					
Intangible assets	9		8,550		17,099
Tangible assets	10		20,417		19,006
			<u>28,967</u>		<u>36,105</u>
CURRENT ASSETS					
Stocks	11	32,286		57,062	
Debtors	12	97,783		16,113	
Cash at bank and in hand		36,242		2,554	
		<u>166,311</u>		<u>75,729</u>	
CREDITORS -- amounts falling due within one year	13	(102,920)		(64,291)	
NET CURRENT ASSETS			<u>63,391</u>		<u>11,438</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>92,358</u>		<u>47,543</u>
CREDITORS - amounts falling due after more than one year	14		(40,097)		(52,204)
NET ASSETS/(LIABILITIES)			<u>£ 52,261</u>		<u>£ (4,661)</u>
/					
Financed by:					
CAPITAL AND RESERVES					
Called up share capital	16		3		3
Profit and loss account			52,258		(4,664)
			<u>£ 52,261</u>		<u>£ (4,661)</u>

These financial statements were approved by the board of directors on *12th October 1992*

John Williams.....
Benny Wise

) Director

The notes on pages 5 to 11 form part of these financial statements

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30TH JUNE 1992

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared under the historical cost / convention and in accordance with UK Financial Reporting Standards.

1.2 Depreciation of tangible assets

Depreciation is provided by the Company so as to write off the cost of tangible fixed assets over their estimated useful economic lives as follows:

Plant and machinery	-	15% to 25% reducing balance
Motor Vehicles	-	33.3% straight line
Fixtures and Fittings	-	20% to 33.3% straight line

1.3 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. For work in progress, cost is taken as production cost, which includes an appropriate proportion of overheads.

1.4 Deferred taxation

The charge to taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will arise.

1.5 Government Grants

Government grants are credited to trading profit and loss account over the estimated useful lives of the assets to which they relate. The grants shown in the balance sheet consist of the total grants received and receivable to date less amounts so far credited to profits. Revenue grants are credited direct to the profit and loss account in the year in which received and receivable.

1.6 Research and Development

Expenditure on research and development is written off against profits in the year in which it is incurred, except to the extent that, in the opinion of the directors, it is directly attributable to future turnover. In such cases, development expenditure is deferred and capitalised and written off over the period in which the turnover to which it relates arises.

1.7 Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the shorter of its estimated useful life and the lease term. Future instalments of such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account as interest, and the capital element, which reduces the outstanding obligation for future instalments. All other leases are operating leases and the rental charges are taken to the profit and loss account when paid.

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDING 30TH JUNE 1992

2. TURNOVER

Turnover represents the invoiced amounts of goods sold and provided, net of value added tax.

The turnover and pre-tax Profit are wholly attributable to the company's main activity.

An analysis of turnover by geographical market is given below:

	<u>1992</u>	<u>1991</u>
	£	£
United Kingdom	214,097	100,961
European Economic Community	49,094	20,031
Rest of the World	102,166	401
	<u>£ 365,357</u>	<u>£ 121,393</u>

3. OTHER OPERATING INCOME

	<u>1992</u>	<u>1991</u>
	£	£
Research and development grants	26,304	22,386
Deferred government grants	8,226	8,226
Other revenue grants	8,326	750
	<u>£ 42,856</u>	<u>£ 31,362</u>

4. OPERATING PROFIT

	<u>1992</u>	<u>1991</u>
	£	£
This is stated after charging (crediting):		
Auditors' remuneration	1,500	1,200
Depreciation	5,902	5,825
Research and development expenditure	50,483	50,550
Research and development amortisation in year	8,549	8,550
Other operating lease rentals	1,567	1,436
	<u>£ 67,999</u>	<u>£ 67,561</u>

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDING 30TH JUNE 1992

5.	EMPLOYEE INFORMATION	<u>1992</u>	<u>1991</u>
		£	£
5.1	Staff costs:		
	Wages and salaries	109,587	72,410
	Social security costs	9,992	6,149
		<u>£ 119,579</u>	<u>£ 78,559</u>
5.2	The average number of persons employed during the year (including Directors) was as follows:	No.	No.
	Office and management	2	2
	Research and development	3	2
	Production	4	2
		<u>9</u>	<u>6</u>
5.3	Directors' emoluments:	<u>1992</u>	<u>1991</u>
		£	£
	Fees and salaries	35,953	24,074
		<u>£ 35,953</u>	<u>£ 24,074</u>
6.	INTEREST RECEIVABLE	<u>1992</u>	<u>1991</u>
		£	£
	Bank interest	<u>761</u>	<u>609</u>
7.	INTEREST PAYABLE AND SIMILAR CHARGES	<u>1992</u>	<u>1991</u>
		£	£
	Interest on bank loans, overdrafts and other loans repayable within 5 years	1,679	1,152
	Other loans	244	1,857
	Royalties payable	20,567	5,282
		<u>£ 22,490</u>	<u>£ 8,291</u>

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDING 30TH JUNE 1992

8. TAXATION

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
The tax charge on the Profit on ordinary activities for the year was as follows:		
U.K corporation tax at 25% (1991 - 25%)	20,401	-
	<u>£ 20,401</u>	<u>£ -</u>

No deferred tax has been provided for as it is probable that a material deferred tax liability will not crystallize.

9. INTANGIBLE FIXED ASSETS

	<u>Research and Development</u>
	<u>£</u>
<u>Cost:</u>	
At 1st July 1991 and	
At 30th June 1992	34,199
<u>Amortisation:</u>	
1st July 1991	17,100
/ Release to profit and loss account	8,549
At 30th June 1992	25,649
Net book value at 30th June 1992	£ 8,550
Net book value at 30th June 1991	£17,099

The capitalised development costs are being amortised over a period of four years on a straight line basis, commencing with the year of commercial production of the items to which the capitalised development expenditure relates.

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDING 30TH JUNE 1992

10. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Total</u>
	£	£	£	£
COST:				
At 1st July 1991	3,000	7,455	21,940	32,395
Additions	-	7,032	1,186	8,218
Disposals	-	(905)	-	(905)
At 30th June 1992	3,000	13,582	23,126	39,708
DEPRECIATION:				
At 1st July 1991	1,333	3,376	8,680	13,389
Charge for year	1,000	1,754	3,148	5,902
At 30th June 1992	2,333	5,130	11,828	19,291
Net book value at 30th June 1992	£ 667	£ 8,452	£11,298	£20,417
Net book value at 30th June 1991	£ 1,667	£ 4,079	£13,260	£19,006

11. STOCKS

The amounts attributable to the different categories are as follows:

	<u>1992</u>	<u>1991</u>
	£	£
Raw materials and consumables	11,731	6,876
Work in progress	15,980	13,209
Finished goods	4,575	36,977
	<u>£ 32,286</u>	<u>£ 57,062</u>

12. DEBTORS

	<u>1992</u>	<u>1991</u>
	£	£
Trade debtors	87,203	13,909
Other debtors	10,580	2,204
	<u>£ 97,783</u>	<u>£ 16,113</u>

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30TH JUNE 1992

13. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1992</u> £	<u>1991</u> £
Bank loans and overdraft	1,844	1,940
Other loans	2,043	1,896
Payments received on account	21,000	24,000
Trade creditors	8,742	3,071
Corporation tax	20,401	-
Other taxes and social security costs	13,068	7,065
Other creditors	26,096	9,392
Accruals	1,500	8,700
Deferred government grants (see note 15)	8,226	8,227
	<u>£ 102,920</u>	<u>£ 64,291</u>

14. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>1992</u> £	<u>1991</u> £
Bank loan	9,920	11,758
Other loans	30,177	32,220
Deferred government grants (see note 15)	-	8,226
	<u>£ 40,097</u>	<u>£ 52,204</u>

The bank loan which totals £11,764 is repayable within 5 years, in monthly instalments of £298 commencing 27th November 1990. The rate of interest on the loan is 13.25% fixed. The loan and overdraft is secured by directors' guarantees and by a charge over the assets and undertakings of the company.

15. DEFERRED GOVERNMENT GRANTS	<u>1992</u> £	<u>1991</u> £
At 1st July, 1991	16,452	24,678
Credited to profit and loss account	(8,226)	(8,226)
At 30th June, 1992	<u>8,226</u>	<u>£ 16,452</u>
Analysed:		
	<u>1992</u> £	<u>1991</u> £
Due within one year (see note 13)	8,226	8,227
Due after more than one year (see note 14)	-	8,226
	<u>£ 8,226</u>	<u>£ 16,453</u>

ABER INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDING 30TH JUNE 1992

16. SHARE CAPITAL

	<u>1992</u>	<u>1991</u>
AUTHORISED	£	£
1,000 Ordinary shares of £1 each	1,000	1,000
ALLOTTED, ISSUED AND FULLY PAID		
3 Ordinary shares of £1 each	£3	£3

17. COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments contracted but not provided for or authorised but not contracted for as at 30th June, 1992 (1991: £Nil).

OPERATING LEASES

The company has commitments for payments in the next year under operating leases as follows:

	<u>1992</u>	<u>1991</u>
Operating leases which expire:	£	£
Within one year	-	1,436
From two to five years	-	-
	£ -	£ 1,436

ADIEL INSTRUMENTS LIMITED

DETAILED TRADING PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1992

	£	<u>1992</u> £	£	<u>1991</u> £
SALES		365,357		121,393
COST OF SALES				
Opening stocks	57,062		33,280	
Purchases of raw materials	34,277		9,519	
Wages and salaries	41,945		20,307	
Subcontract and casual labour	17,736		6,212	
Consultancy fees	-		7,500	
Plant and equipment	3,148		3,377	
	<u>154,168</u>		<u>80,195</u>	
Less: Closing stocks	(32,286)		(57,062)	
		<u>(121,882)</u>		<u>(23,133)</u>
GROSS PROFIT	68.6%	243,475	80.9%	98,260
ADMINISTRATIVE EXPENSES (see schedule)		<u>187,279</u>		<u>107,328</u>
		56,196		(9,068)
OTHER OPERATING INCOME				
Research and development grants	26,304		22,386	
Deferred government grants	8,226		8,226	
Other revenue grants	8,326		750	
	<u></u>	<u>42,856</u>	<u></u>	<u>31,362</u>
Bank interest	761		609	
	<u></u>	<u>761</u>	<u></u>	<u>609</u>
OTHER EXPENSES				
Royalties payable	20,567		5,282	
Bank overdraft & loan interest	1,679		2,390	
Other loan interest	244		619	
	<u></u>	<u>(22,490)</u>	<u></u>	<u>(8,291)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>£ 77,323</u>		<u>£ 14,612</u>

This page does not form part of the
statutory financial statements

ABER INSTRUMENTS LIMITED

DETAILED TRADING PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1992

	<u>1992</u>	<u>1991</u>
	<u>£</u>	<u>£</u>
ADMINISTRATIVE EXPENSES		
<u>Establishment expenses:</u>		
Rent and rates	7,456	7,200
Insurance	2,471	552
Light and heat	1,184	1,036
Repairs and maintenance	199	107
<u>General expenses:</u>		
Wages and salaries	35,013	18,392
Research & development salaries	42,621	39,860
Office expenses	8,218	6,431
Advertising	9,054	2,510
Freight and carriage	3,885	-
Telephone	3,810	1,684
Travel, subsistence & motor expenses	43,743	9,283
Research and development expenses	7,862	10,690
Subscriptions and donations	583	-
<u>Financial expenses:</u>		
Audit fees	1,500	1,200
Legal and professional fees	13,369	3,735
Lease rentals	1,567	1,436
Bank charges	1,066	579
Sundry expenses	924	135
<u>Depreciation:</u>		
Fixtures and fittings	1,754	1,448
Motor vehicle	1,000	1,000
	<u>£ 187,279</u>	<u>£ 107,328</u>

This page does not form part of the
statutory financial statements