

LAUNCHFIRM LIMITED
REPORTS AND ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993



CLARK WHITEHILL JOSOLYNE
CHARTERED ACCOUNTANTS
KEIGHLEY

LAUNCHFIRM LIMITED

REPORTS AND ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 1993

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LAUNCHFIRM LIMITED

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31st October 1993.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £24,857.
It is recommended that this amount be deducted from the reserves and that no dividend be paid.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company are that of the provision of management services and a holding company. The principal activity of the company's subsidiary undertakings is the manufacture and distribution of vacuum tools.

The directors consider that the state of the company's affairs is satisfactory and is as shown in the attached accounts.

DIRECTORS

The following served as directors during the year:

Mr H.T. Gibson
Mrs. J. Gibson

Mrs. J. Gibson retires by rotation and, being eligible, offers herself for re-election.

DIRECTORS' INTERESTS

The interests of the directors in the share capital of the company were as follows:

	31st October 1993 Ordinary shares at £1 each	1st November 1992 Ordinary shares at £1 each
Mr H.T. Gibson	26	26
Mrs. J. Gibson	25	25

Mrs. J. Gibson also has a further interest in the share capital of the company by way of her interest in the J. Gibson Settlement which holds 49 Ordinary £1 shares in the company.

LAUNCHFIRM LIMITED

DIRECTORS' REPORT

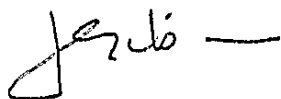
CLOSE COMPANY STATUS

The company is a close company within the meaning of Section 414 of the Income and Corporation Taxes Act 1988.

AUDITORS

In accordance with Section 385 of the Companies Act 1985 (as inserted by section 119 of the Companies Act 1989), a resolution proposing the reappointment of Clark Whitehill Josolyne as auditors to the company will be put to the members at the annual general meeting.

By order of the board



J. Gibson

Secretary

31st January 1994

LAUNCHFIRM LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for that period. In preparing those accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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 or other irregularities.

AUDITORS' REPORT TO THE SHAREHOLDERS OF
LAUNCHFIRM LIMITED

We have audited the accounts on pages 6 to 13 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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 accounts 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 the information in the accounts.

Unqualified opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st October 1993 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


CLARK WHITEHILL JOSOLYNE

Keighley
1st February 1994

Chartered Accountants and
Registered Auditor

REPORT OF THE AUDITORS TO THE DIRECTORS OF

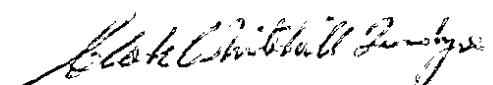
LAUNCHFIRM LIMITED

PURSUANT TO SECTION 248 OF THE COMPANIES ACT 1985

We have examined the totals of turnover, total assets and number of employees of each of the company and its subsidiary undertakings, as contained in the audited accounts of those companies. We have compared these totals with the criteria for small and medium-sized groups as set out in Section 249 of the Companies Act 1985.

In our opinion, the company is entitled, for the year ended 31st October 1993 to the exemption from the requirement to prepare group accounts, as provided by Section 248 of the Companies Act 1985.

Keighley
1st February 1994



CLARK WHITEHILL JOSOLYNE
Chartered Accountants and
Registered Auditor

LAUNCHFIRM LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST OCTOBER 1993

	Notes	<u>1993</u> £	<u>1992</u> £
TURNOVER	2	702,800	1,011,200
Administrative expenses		733,745	887,756
OPERATING (LOSS) PROFIT	3	<u>(30,945)</u>	<u>123,444</u>
Income from shares in group undertakings	5	22,500	96,000
		<u>(8,445)</u>	<u>219,444</u>
Other interest receivable and similar income	6	5,267	4,154
		<u>(3,178)</u>	<u>223,598</u>
Interest payable	7	37,604	46,609
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(40,782)</u>	<u>176,989</u>
Tax on (loss) profit on ordinary activities	8	(15,925)	44,175
(LOSS) PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(24,857)</u>	<u>132,814</u>
Dividends	9	-	3,000
(LOSS) RETAINED PROFIT FOR THE YEAR	15	<u><u>(24,857)</u></u>	<u><u>129,814</u></u>

The Profit and Loss Account contains all the gains and losses recognised in the year and in the previous year.

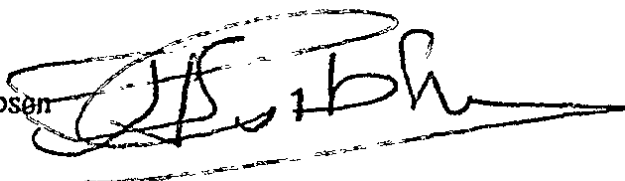
LAUNCHFIRM LIMITED

BALANCE SHEET AT 31ST OCTOBER 1993

	Notes	£	<u>1993</u>	£	£	<u>1992</u>	£
FIXED ASSETS							
Investments	10			-			-
CURRENT ASSETS							
Debtors	11	215,885			511,862		
Cash at bank and in hand		57,994			296,980		
		<u>273,879</u>			<u>808,842</u>		
CURRENT LIABILITIES							
Creditors - amounts falling due within one year	12	90,305			599,914		
NET CURRENT ASSETS				<u>183,574</u>			<u>208,928</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>183,574</u>			<u>208,928</u>
PROVISIONS FOR LIABILITIES AND CHARGES							
Deferred taxation	13			51			548
				<u>183,523</u>			<u>208,380</u>
CAPITAL AND RESERVES							
Called up share capital	14			100			100
Profit and loss account	15			183,423			208,280
SHAREHOLDERS' FUNDS	15			<u>183,523</u>			<u>208,380</u>

Approved by the board of directors on 31st January 1994 and signed on its behalf by:

Mr H.T. Gibson



) Director

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

1. ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention adopting the following principal accounting policies.

b) Consolidation

Consolidated accounts incorporating the accounts of the company and its subsidiary undertakings have not been prepared as the company has relied upon the exemption from the requirement to prepare consolidated accounts as provided by Section 248 of the Companies Act 1985. The accounts as presented represent the information of the company as an individual undertaking only.

c) Deferred taxation

Deferred taxation is accounted for using the liability method on all material timing differences to the extent that it is probable that liabilities or assets will crystallise in the foreseeable future.

d) Pension scheme

The company operates a money purchase pension scheme on behalf of the directors.

The company's contributions are charged against the profits in the year in which contributions are made.

e) Cash flow statement

As permitted by Financial Reporting Standard Number 1 the company has not produced a cash flow statement on the grounds that the company has satisfied the conditions exempting it as a small company.

2. TURNOVER

Turnover represents the invoiced amount for goods and services provided stated net of value added tax.

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

	<u>1993</u> £	<u>1992</u> £
3. OPERATING (LOSS) PROFIT		
This is stated after charging:		
Directors' emoluments (Note 4)	700,800	873,881
Auditors' remuneration	750	750
Loss on sale of tangible fixed assets	-	1,500
	<u>700,800</u>	<u>873,881</u>
4. DIRECTORS AND STAFF		
a) Directors' emoluments		
Management remuneration	<u>700,800</u>	<u>873,881</u>
Emoluments excluding pension scheme contributions:		
Chairman and highest paid director	<u>399,590</u>	<u>493,007</u>
	Number	Number
The emoluments of the other director were in the following bands:		
£300,001 - £305,000	1	-
£325,001 - £330,000	-	1
	=	=
	£	£
b) Staff costs for all employees including executive directors were:		
Wages and salaries	703,600	819,791
Social security costs	-	555
Other pension costs	2,800	51,000
	<u>706,400</u>	<u>871,346</u>
The average weekly number of persons employed by the company during the year was:		
	Number	Number
Category		
Administration	<u>3</u>	<u>2</u>

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

	<u>1993</u> £	<u>1992</u> £
5. INCOME FROM SHARES IN GROUP UNDERTAKINGS		
Income from group undertakings	<u>22,500</u>	<u>96,000</u>
6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest receivable	<u>5,267</u>	<u>4,154</u>
7. INTEREST PAYABLE		
On bank loans, overdrafts and other loans:		
Repayable within 5 years, not by instalments	<u>37,604</u>	<u>46,609</u>
8. TAX ON (LOSS) PROFIT ON ORDINARY ACTIVITIES		
Based on (loss) profit for the year		
Corporation tax at 25% (1992: 25%)	(15,428)	20,473
Transfer from deferred taxation	(497)	(298)
Tax on franked investment income	-	24,000
	<u>(15,925)</u>	<u>44,175</u>
9. DIVIDENDS		
Ordinary shares at £1 each		
Paid Nil (1992: £30 per share)	<u>-</u>	<u>3,000</u>

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

10. INVESTMENTS

	Investment in group undertakings £
Cost and net book value 1st November 1992 and 31st October 1993	- <u> </u>

The interest in the group undertaking was gifted to the company and no consideration passed.

Investments in group undertakings:

Name of undertaking	Country of registration	Description of shares held	Proportion of nominal value of issued shares held by company
<u>Aerovac Systems (Keighley) Ltd</u>	<u>England & Wales</u>	<u>Ordinary £1</u>	<u>60%</u>

The principal activity of the above undertaking is the manufacture and distribution of vacuum tools. Aerovac Systems (Keighley) Limited itself held an investment in a subsidiary undertaking as follows:

Name of undertaking	Country of incorporation	Description of shares held	Proportion of nominal value of issued shares held by company
<u>Aerovac Systems France SARL</u>	<u>France</u>	<u>Ordinary</u>	<u>76%</u>

The principal activity of the above undertaking is the manufacture and distribution of vacuum tools.

The aggregate amount of capital and reserves of the undertakings, as at 31st October 1993 was £317,940 and £58,181 respectively. The undertakings made a profit after taxation of £41,638 and £92,831 respectively for the financial year ended on 31st October 1993.

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

	<u>1993</u> £	<u>1992</u> £
11. DEBTORS		
Trade debtors	3,290	-
Amounts owed by group undertakings	197,012	-
Corporation tax	15,428	-
Prepayments and accrued income	155	511,862
	<u>215,885</u>	<u>511,862</u>

12. CREDITORS

Amounts falling due within one year:

Trade creditors	-	1,000
Amounts owed to group undertakings	-	50,000
Directors' loan accounts	44,940	499,545
Corporation tax	-	33,129
Other taxes and social security costs	36,433	204
Accruals and deferred income	8,932	16,036
	<u>90,305</u>	<u>599,914</u>

13. DEFERRED TAXATION

Deferred taxation provided in the accounts and the full potential liability including amounts for which provision has been made is as follows:

	<u>1993</u>		<u>1992</u>	
	<u>Amount</u> <u>provided</u>	Full potential <u>liability</u>	<u>Amount</u> <u>provided</u>	Full potential <u>liability</u>
	£	£	£	£
Other timing differences	<u>51</u>	<u>51</u>	<u>548</u>	<u>548</u>

LAUNCHFIRM LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST OCTOBER 1993

	<u>1993</u> £	<u>1992</u> £
14. CALLED UP SHARE CAPITAL		
Authorised 1,000 Ordinary shares at £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid 100 Ordinary shares at £1 each	<u>100</u>	<u>100</u>

15. SHAREHOLDERS' FUNDS

	<u>Share Capital</u> £	<u>Profit and Loss Account</u> £	<u>Total</u> £
1st November 1991	100	78,466	78,566
Profit for the year	-	129,814	129,814
31st October 1992	<u>100</u>	<u>208,280</u>	<u>208,380</u>
Loss for the year	-	(24,857)	(24,857)
31st October 1993	<u>100</u>	<u>183,423</u>	<u>183,523</u>

16. PENSION OBLIGATIONS

The company operates a money purchase pension scheme for the company's directors. The total pension cost charge for the year was £2,800 (1992: £51,000). There were no outstanding or prepaid contributions at the balance sheet date.