

Roxburgh Foxhills Limited

Company number: 2967549

Report & Accounts

30 September 1997



Roxburgh Foxhills Limited

DIRECTORS' REPORT

The directors present their report together with the audited accounts for the year ended 30 September 1997.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of rental of its freehold property to an associated Group company.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £ 51,412. The directors do not recommend a dividend.

DIRECTORS AND THEIR INTERESTS

The directors at 30 September 1997 were as follows:

C.J. Sawyer

R.E. Tozer

None of the directors has any interest in the shares of the Company. C.J. Sawyer and R.E. Tozer are directors of the ultimate holding company, Deltron Electronics plc. Their interests are shown in the accounts of that company.

POLITICAL AND CHARITABLE DONATIONS

During the year the company made no political or charitable donations.

CREDITOR PAYMENT POLICY

The Company has no trade creditors and therefore has no policy on their payment.

AUDITORS

The Company's auditors, Morgan, Brown & Spofforth have signified their willingness to act as auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

On Behalf of the Board

C.J. Sawyer
Director



16th January 1998

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement which should be read in conjunction with the report of the auditors on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and auditors in relation to the accounts.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year. 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume 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 and other irregularities.

Roxburgh Foxhills Limited

AUDITORS' REPORT

Report of the auditors to the members of Roxburgh Foxhills Limited

We have audited the accounts set out on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of the 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.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 30 September 1997 and of the profit of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Morgan Brown & Spofforth
Morgan, Brown & Spofforth
Chartered Accountants
Registered Auditor

82 St John Street
London EC1M 4JN
16th January 1998

Roxburgh Foxhills Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 September 1997

| | Notes | <u>1997</u> £ | <u>1996</u> £ |
|--|-------|------------------|------------------|
| TURNOVER | 2 | 50,000 | 50,000 |
| Cost of sales | | - | - |
| GROSS PROFIT | | 50,000 | 50,000 |
| Administrative expenses | | (15,690) | (17,879) |
| OPERATING PROFIT | 3 | 34,310 | 32,121 |
| Interest | 5 | 257 | (52,627) |
| Profit/(loss) on ordinary activities before taxation | | 34,567 | (20,506) |
| Taxation | 6 | 16,845 | - |
| Profit/(loss) for the financial year | 13 | 51,412 | (20,506) |

The notes on pages 7 to 10 form part of these accounts

Roxburgh Foxhills Limited

for the year ended 30 September 1997

STATEMENT OF RECOGNISED GAINS AND LOSSES

No statement of recognised gains and losses is required as there are no recognised gains or losses in the period other than the profit for the period.

NOTES OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalent.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | <u>1997</u> | <u>1996</u> |
|--------------------------------------|--------------|----------------|
| | £ | £ |
| Profit/(loss) for the financial year | 51,412 | (20,506) |
| Dividends and appropriations | - | - |
| | <hr/> 51,412 | <hr/> (20,506) |
| Share capital issued | - | - |
| Opening shareholders' funds | (9,198) | 11,308 |
| Closing shareholders' funds | <hr/> 42,214 | <hr/> (9,198) |

Roxburgh Foxhills Limited

BALANCE SHEET

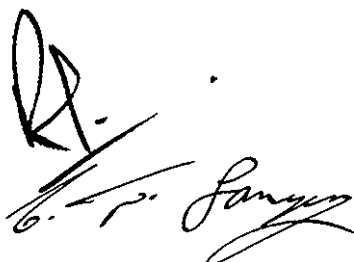
as at 30 September 1997

| | Notes | <u>1997</u> | <u>1996</u> |
|--|-------|------------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 7 | 810,396 | 825,054 |
| CURRENT ASSETS | | | |
| Debtors | 8 | 35,121 | 96,614 |
| Cash at bank and in hand | | 52,972 | - |
| | | <u>88,093</u> | <u>96,614</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 9 | <u>(14,851)</u> | <u>(152,244)</u> |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>73,242</u> | <u>(55,630)</u> |
| TOTAL ASSETS LESS CURRENT | | | |
| LIABILITIES | | 883,638 | 769,424 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 10 | <u>(841,424)</u> | <u>(778,622)</u> |
| | | <u>£ 42,214</u> | <u>£ (9,198)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 12 | 2 | 2 |
| Profit and loss account | 13 | 42,212 | (9,200) |
| Shareholders' funds : equity | | <u>£ 42,214</u> | <u>£ (9,198)</u> |

The accounts were approved by the Board of Directors on 16th January 1998 and were signed on its behalf by:

R.E. TOZER

C.J. SAWYER



The notes on pages 7 to 10 form part of these accounts

Roxburgh Foxhills Limited

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared under the historical cost convention.

The company has taken advantage of its exemption under Financial Reporting Standard No. 1 not to prepare a cash flow statement. The consolidated accounts of its parent undertaking include a cash flow statement dealing with cashflows of the group. The Company has also taken advantage of its exemption under Financial Reporting Standard No. 8 not to disclose details of transactions with Group undertakings.

The accounts are prepared in accordance with all relevant United Kingdom Statements of Standard Accounting Practice and Financial Reporting Standards.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value of each asset over its expected useful life, as follows:

| | | |
|--------------------|---|------------|
| Freehold buildings | - | 2% on cost |
|--------------------|---|------------|

Interest

Interest was capitalised on the freehold building up until the point the building was completed.

Deferred taxation

When appropriate the Company provides for deferred taxation using the liability method and current tax rates, to account for differences in timing between the recognition of income and expenditure for accounting and taxation purposes.

2. TURNOVER

Turnover comprises the invoiced value of goods and services supplied in the United Kingdom exclusive of Value Added Tax. It is all attributable to the principal activity.

3. OPERATING PROFIT

| | | |
|--|-------------|-------------|
| This is stated after charging/(crediting): | <u>1997</u> | <u>1996</u> |
| | £ | £ |
| Depreciation of fixed assets | 14,658 | 14,188 |
| Auditors' remuneration | 1,000 | 1,200 |

4. DIRECTORS AND OTHER EMPLOYEES

The company had no employees during the period other than the two directors.

The remuneration of the directors is dealt with in the accounts of the holding company.

Roxburgh Foxhills Limited
NOTES TO THE ACCOUNTS

5. INTEREST

| | <u>1997</u> | <u>1996</u> |
|---|-------------|-----------------|
| | £ | £ |
| Interest receivable | 582 | - |
| Interest payable | | |
| Bank loans and overdrafts | (325) | - |
| Loan not wholly repayable in more than five years | - | (52,627) |
| | <u>257</u> | <u>(52,627)</u> |

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

| | <u>1997</u> | <u>1996</u> |
|---|-----------------|-------------|
| | £ | £ |
| UK Corporation tax at 33/31% (1996 33%) | 1,635 | - |
| Corporation tax in respect of prior years | (18,480) | - |
| | <u>(15,690)</u> | <u>-</u> |

7. FIXED ASSETS

| | <u>Freehold building</u> | <u>Freehold land</u> | <u>Total</u> |
|---|------------------------------|--------------------------|----------------|
| | £ | £ | £ |
| COST OR VALUATION | | | |
| At 1 October 1996 and 30 September 1997 | <u>732,927</u> | <u>113,796</u> | <u>846,723</u> |
| DEPRECIATION | | | |
| At 1 October 1996 | 21,669 | - | 21,669 |
| Charge for the year | 14,658 | - | 14,658 |
| At 30 September 1997 | <u>36,327</u> | <u>-</u> | <u>36,327</u> |
| NET BOOK VALUE | | | |
| At 30 September 1997 | <u>696,600</u> | <u>113,796</u> | <u>810,396</u> |
| At 1 October 1996 | <u>711,258</u> | <u>113,796</u> | <u>825,054</u> |

8. DEBTORS

| | <u>1997</u> | <u>1996</u> |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Amounts due from group undertakings | 14,688 | 14,688 |
| Corporation tax | 20,433 | - |
| Other debtors | - | 81,926 |
| | <u>35,121</u> | <u>96,614</u> |

Roxburgh Foxhills Limited
NOTES TO THE ACCOUNTS

9 CREDITORS : amounts falling due within one year

| | <u>1997</u> | <u>1996</u> |
|---------------------------------|---------------|----------------|
| | £ | £ |
| Other bank loans and overdrafts | - | 33,904 |
| Tax and social security | 2,179 | 5,163 |
| Amounts due to group companies | 11,872 | 19,175 |
| Other creditors | - | 92,802 |
| Accruals and deferred income | 800 | 1,200 |
| | <u>14,851</u> | <u>152,244</u> |

10. CREDITORS : amounts falling due after more than one year

| | <u>1997</u> | <u>1996</u> |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Amounts due to group undertakings | <u>841,424</u> | <u>778,622</u> |

11. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts of deferred taxation not provided in the accounts are as follows:

| | <u>1997</u> | <u>1996</u> |
|---|---------------|---------------|
| | £ | £ |
| Capital allowances in advance of depreciation | <u>33,529</u> | <u>26,411</u> |

12. SHARE CAPITAL

| | <u>1997</u> | <u>1996</u> |
|------------------------------------|-------------|-------------|
| | £ | £ |
| Authorised | | |
| 100 ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted, called up and fully paid | | |
| 2 ordinary shares of £1 each | <u>2</u> | <u>2</u> |

13. RESERVES

| | Profit and loss account |
|------------------------------|-------------------------------|
| | £ |
| At 1 October 1996 | (9,200) |
| Retained profit for the year | 51,412 |
| At 30 September 1997 | <u>42,212</u> |

Roxburgh Foxhills Limited

NOTES TO THE ACCOUNTS

14. CONTINGENT LIABILITIES

Midland Bank plc and its subsidiaries hold a fixed and floating charge over all the assets of the Group, including a first legal charge over the Company's freehold property. An unlimited multilateral guarantee exists between all Group companies for bank borrowing and other facilities.

Subject to the foregoing, the Company had no material contingent liabilities at the year end.

15. ULTIMATE HOLDING COMPANY

The Company's ultimate holding company is Deltron Electronics plc, a company registered in England and Wales. It has included the Company in its Group accounts, copies of which are available from The Secretary, Deltron Electronics plc, Suffolk House, Fordham Road, Newmarket, Suffolk, CB8 7AA.