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Hypex Electroniques Limited

Report and Accounts

31 May 2003

Company Registration Number 3567149



Bipin Vyas & Co.
Chartered Accountants and Registered Auditors
34 Butler Road
Harrow
Middlesex
HA1 4DR

Hypex Electroniques Limited
Report and accounts
Contents

| | Page |
|-------------------------|-------------|
| Company information | 1 |
| Directors' report | 2 |
| Auditors' report | 3 |
| Profit and loss account | 4 |
| Balance sheet | 5 |
| Notes to the accounts | 6 - 9 |

Hypex Electroniques Limited
Company Information

DIRECTORS

Mr S. D. Sood
Mr A. K. Sood

SECRETARY

Mr S. D. Sood

REGISTERED OFFICE

20 Osram Road
East Lane
Wembley
Middlesex
HA9 7NG

AUDITORS

Bipin Vyas & Co.
Chartered Accountants and Registered Auditors
34 Butler Road
Harrow
Middlesex HA1 4DR

BANKERS

Barclays Bank plc

National Westminster Bank plc.

Registered number
3567149

Hypex Electroniques Limited

Directors' Report

The directors present their report and accounts for the year ended 31 May 2003.

Principal activities

The company's principal activity during the year continued to be that of selling electroniques equipments.

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

| | £1 Ordinary shares | |
|----------------|--------------------|--------|
| | 2003 | 2002 |
| Mr Shiv D Sood | 10,000 | 10,000 |
| Mr Anil K Sood | 10,000 | 10,000 |

Political and charitable donations

During the year, the company made nil charitable contributions (2002 £101).

Directors' responsibilities

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 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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.

Auditors

A resolution to reappoint Bipin Vyas & Co. as auditors will be put to the members at the Annual General Meeting.

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 19 August 2004

Mr S. D. Sood
Director



Hypex Electroniques Limited

Auditors' Report

Report of the auditors to the shareholders of Hypex Electroniques Limited

We have audited the accounts of Hypex Electroniques Limited for the year ended 31 May 2003 which comprise pages 4 to 9. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

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 auditors

As described on page 2, the Company's Directors' are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if 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 transactions with the company 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. 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 information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 May 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Bipin Vyas & Co.
Chartered Accountants and Registered Auditors

34 Butler Road
Harrow
Middlesex
HA1 4DR

19 August 2004

Hypex Electroniques Limited
Profit and Loss Account
for the year ended 31 May 2003

| | Notes | 2003 £ | 2002 £ |
|--|-------|----------------|----------------|
| Turnover | | 1,437,221 | 1,523,055 |
| Cost of sales | | (1,163,367) | (1,279,932) |
| Gross profit | | <u>273,854</u> | <u>243,123</u> |
| Administrative expenses | | (258,877) | (212,626) |
| Operating profit | 2 | <u>14,977</u> | <u>30,497</u> |
| Interest payable | | (699) | (1,851) |
| Profit on ordinary activities before taxation | | <u>14,278</u> | <u>28,646</u> |
| Tax on profit on ordinary activities | 3 | (1,950) | (6,278) |
| Profit for the financial year | | <u>12,328</u> | <u>22,368</u> |
| Retained profit for the financial year | 9 | <u>12,328</u> | <u>22,368</u> |

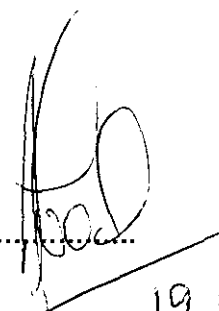
Hypex Electronics Limited
Balance Sheet
as at 31 May 2003

| | Notes | 2003 £ | 2002 £ |
|--|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 4 | 9,776 | 13,685 |
| Current assets | | | |
| Stocks | | 232,209 | 174,176 |
| Debtors | 5 | 76,337 | 131,204 |
| Cash at bank and in hand | | 14,543 | 8,755 |
| | | <u>323,089</u> | <u>314,135</u> |
| Creditors: amounts falling due within one year | 6 | (238,622) | (245,905) |
| Net current assets | | <u>84,467</u> | <u>68,230</u> |
| Total assets less current liabilities | | <u>94,243</u> | <u>81,915</u> |
| Creditors: amounts falling due after more than one year | 7 | (6,872) | (6,872) |
| Net assets | | <u>87,371</u> | <u>75,043</u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 20,000 | 20,000 |
| Profit and loss account | 9 | 67,371 | 55,043 |
| Shareholders' funds | | <u>87,371</u> | <u>75,043</u> |

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Mr A. K. Sood
 Director

Approved by the board on


 19 August 2004

Hypex Electroniques Limited
Notes to the Accounts
for the year ended 31 May 2003

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

| | |
|---------------------|-------------------|
| Plant and machinery | 25% straight line |
| Motor vehicles | 25% straight line |

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that a liability to taxation is unlikely to crystallise.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Hypex Electronics Limited
Notes to the Accounts
for the year ended 31 May 2003

| | | |
|--|----------------------------|-----------------------|
| 2 Operating profit | 2003 | 2002 |
| | £ | £ |
| This is stated after charging: | | |
| Depreciation of owned fixed assets | 2,474 | 1,884 |
| Depreciation of assets held under finance leases and hire purchase contracts | 4,005 | 4,005 |
| Directors' remuneration | 73,113 | 46,076 |
| Auditors' remuneration | 1,500 | 1,500 |
| | <u> </u> | <u> </u> |
| 3 Taxation | 2003 | 2002 |
| | £ | £ |
| UK corporation tax | 1,950 | 6,278 |
| | <u> </u> | <u> </u> |
| 4 Tangible fixed assets | | |
| | Plant and machinery | Motor vehicles |
| | £ | £ |
| Cost | | Total |
| | | £ |
| At 1 June 2002 | 7,535 | 23,555 |
| Additions | 2,570 | 2,570 |
| At 31 May 2003 | <u>10,105</u> | <u>26,125</u> |
| Depreciation | | |
| At 1 June 2002 | 5,865 | 9,870 |
| Charge for the year | 2,474 | 6,479 |
| At 31 May 2003 | <u>8,339</u> | <u>16,349</u> |
| Net book value | | |
| At 31 May 2003 | <u>1,766</u> | <u>9,776</u> |
| At 31 May 2002 | <u>1,670</u> | <u>13,685</u> |
| 5 Debtors | 2003 | 2002 |
| | £ | £ |
| Trade debtors | 71,229 | 126,891 |
| Other debtors | 5,108 | 4,313 |
| | <u>76,337</u> | <u>131,204</u> |

Hypex Electroniques Limited
Notes to the Accounts
for the year ended 31 May 2003

| | | | | |
|---|-------------|-------------|----------------|----------------|
| 6 Creditors: amounts falling due within one year | | | 2003 | 2002 |
| | | | £ | £ |
| Bank loans and overdrafts | | | 1,940 | 104 |
| Trade creditors | | | 153,432 | 147,013 |
| Corporation tax | | | 9,710 | 15,791 |
| Other taxes and social security costs | | | 44,502 | 17,041 |
| Other creditors | | | 29,038 | 65,956 |
| | | | <u>238,622</u> | <u>245,905</u> |
| 7 Creditors: amounts falling due after one year | | | 2003 | 2002 |
| | | | £ | £ |
| Other creditors | | | <u>6,872</u> | <u>6,872</u> |
| 8 Share capital | | | 2003 | 2002 |
| | | | £ | £ |
| Authorised: | | | | |
| Ordinary shares of £1 each | | | <u>100,000</u> | <u>100,000</u> |
| | 2003 | 2002 | 2003 | 2002 |
| | No | No | £ | £ |
| Allotted, called up and fully paid: | | | | |
| Ordinary shares of £1 each | 20,000 | 20,000 | <u>20,000</u> | <u>20,000</u> |
| 9 Profit and loss account | | | 2003 | 2002 |
| | | | £ | £ |
| At 1 June | | | 55,043 | 32,675 |
| Retained profit | | | 12,328 | 22,368 |
| | | | <u>67,371</u> | <u>55,043</u> |
| At 31 May | | | | |

Hypex Electroniques Limited
Notes to the Accounts
for the year ended 31 May 2003

10 Other financial commitments

| | |
|-------------|-------------|
| 2003 | 2002 |
| £ | £ |

At the year end the company had annual commitments under non cancellable operating leases as set out below:

Operating leases which expire:

within one year

in over five years

| | |
|---------------|---------------|
| - | 20,000 |
| 33,000 | - |
| <u>33,000</u> | <u>20,000</u> |

11 Related parties

The Company is controlled by the directors of the company.

A total Balance of £ 16,505 is due to the directors of the company as at 31 may 2003.