

3632967

**Report of the Directors and  
Financial Statements  
for the Year Ended 31 December 2005  
for  
Quiller Electronics Limited**



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for the Year Ended 31 December 2005**

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**Quiller Electronics Limited**

**Company Information  
for the Year Ended 31 December 2005**

**DIRECTORS:**

D O'Neill  
G A Ralph

**SECRETARY:**

D O'Neill

**REGISTERED OFFICE:**

Cheveley House  
Fordham Road  
Newmarket  
Suffolk  
CB8 7XN

**REGISTERED NUMBER:**

3632967

**AUDITORS:**

Deloitte & Touche LLP  
Chartered Accountants & Registered Auditors  
Leeds

## Quiller Electronics Limited

### Report of the Directors for the Year Ended 31 December 2005

The directors present their report with the financial statements of the company for the year ended 31 December 2005.

#### REVIEW OF BUSINESS

There was no trading in the year and no intention to trade in the forthcoming year. No dividend was proposed in either the current or prior year.

#### DIRECTORS

The directors during the year under review were:

D O'Neill  
G A Ralph

The directors holding office at 31 December 2005 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 31 December 2005.

The company is a wholly owned subsidiary of Deltron Electronics plc. D O'Neill is a director of that company and his interests in the share capital of that company are shown in that company's directors' report. The interests of G A Ralph at the start and end of the year, in the share capital of the ultimate holding company and options over it are shown below:

	At 01/01/04	Number of Options During the year		At 31/12/05	Exercise Price	Date from Which Exercisable	Expiry Date
		Granted	Exercised				
G A Ralph	13,423	-	-	13,423	110p	14/01/02	14/01/12
	30,000	-	-	30,000	67p	16/07/02	15/07/12

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements 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 that period. In preparing those 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

#### AUDITORS

During the year Rothman Pantall & Co resigned as auditors to the company and Deloitte & Touche LLP was appointed to fill this vacancy. The auditors, Deloitte & Touche LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

#### ON BEHALF OF THE BOARD:



G A Ralph – Director  
13 January 2006

## **Quiller Electronics Limited**

### **Independent Auditors' Report to the Members of Quiller Electronics Limited**

We have audited the financial statements of Quiller Electronics Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes to 1 to 13. These financial statements have been prepared under 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 auditors' 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 in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Practice. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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 in accordance with the relevant framework and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, 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 Report of the Directors 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.

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 31 December 2005 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants & Registered Auditors

Leeds

13 January 2006

**Quiller Electronics Limited**

**Profit and Loss Account  
for the Year Ended 31 December 2005**

		2005		2004 (restated)	
	Notes	£	£	£	£
<b>TURNOVER</b>			-		4,361,310
Cost of sales			-		<u>(2,827,490)</u>
<b>GROSS PROFIT</b>			-		1,533,820
Distribution costs		-		(271,901)	
Administrative expenses		-		<u>(628,431)</u>	
					<u>(900,332)</u>
<b>OPERATING PROFIT</b>	3		-		633,488
Reorganisation costs			-		<u>(141,217)</u>
			-		492,271
Interest receivable and similar income			-		<u>1,708</u>
			-		493,979
Interest payable and similar charges	4		-		<u>(12,880)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			-		481,099
Tax on profit on ordinary activities	5		-		<u>(99,768)</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			-		381,331
Dividends	6		-		<u>(500,000)</u>
<b>RETAINED LOSS FOR THE YEAR</b>			-		<u><u>(118,669)</u></u>

**DISCONTINUED OPERATIONS**

All of the company's activities were discontinued during the prior year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

**Quiller Electronics Limited**

**Balance Sheet**  
**31 December 2005**

	Notes	2005 £	2004 £
<b>CURRENT ASSETS</b>			
Debtors	7	1,488,263	1,488,263
<b>CREDITORS</b>			
Amounts falling due within one year	8	<u>613,654</u>	<u>613,654</u>
<b>NET CURRENT ASSETS</b>		<u>874,609</u>	<u>874,609</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>874,609</u>	<u>874,609</u>
		<u>874,609</u>	<u>874,609</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	125,002	125,002
Profit and loss account	10	<u>749,607</u>	<u>749,607</u>
<b>SHAREHOLDERS' FUNDS</b>	13	<u>874,609</u>	<u>874,609</u>

**ON BEHALF OF THE BOARD:**

  
G A Ralph - Director

Approved by the Board on 13 January 2006

# Quiller Electronics Limited

## Notes to the Financial Statements

### 1. ACCOUNTING POLICIES

The financial statements have been in accordance with applicable United Kingdom accounting standards. They have been applied consistently throughout the year and the preceding year except for the adoption of FRS 21 Events after the Balance Sheet Date.

The only impact of the introduction of this new standard has been to include a dividend proposed in relation to the 2003 accounts after the balance sheet date within the Profit and Loss account for 2004, and increasing net assets brought forward at 1 January 2003. This has had no impact on net assets at 31 December 2004 or 31 December 2005, and would have had no impact on the results for the year ended 31 December 2004.

The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Cash flow statement

The company has taken advantage of the exemption under Financial Reporting Standard No. 1 not to prepare a cash flow statement. The consolidated financial statements of its parent undertaking include a cash flow statement dealing with cash flows of the group.

The company has also taken advantage of the exemption under Financial Reporting Standard No. 8 not to disclose details of transactions with group undertakings.

### 2. STAFF COSTS

	2005	2004
	£	£
Wages and salaries	-	760,099
Social security costs	-	82,568
	<u>-</u>	<u>842,667</u>

The average monthly number of employees during the year was as follows:

	2005	2004
Administration and management	-	9
Stores and assembly	-	7
Sales and distribution	-	11
	<u>-</u>	<u>27</u>

Directors' emoluments	<u>-</u>	<u>334,958</u>
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Information regarding the highest paid director is as follows:

	2005	2004
	£	£
Emoluments	<u>-</u>	<u>146,658</u>

No emoluments were payable to the directors, who were the only employees, of the company during the current financial period.



## Quiller Electronics Limited

### Notes to the Financial Statements

#### 3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2005	2004
	£	£
Other operating leases		9,347
Depreciation - owned assets		40,699
Profit on disposal of fixed assets	-	(241,214)
Auditors' remuneration	-	10,032
	<u>-</u>	<u>10,032</u>

Auditors' remuneration has been borne by another group undertaking in the current periods. The cost of the annual return fee was borne by another group undertaking in 2005 without any right of reimbursement

#### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Bank interest	-	8,402
Hire purchase	-	4,478
	<u>-</u>	<u>12,880</u>

#### 5. TAXATION

##### Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
UK corporation tax	-	99,768
Tax on profit on ordinary activities	-	99,768

UK corporation tax was charged at 30% in 2004.

##### Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2005	2004
	£	£
Profit on ordinary activities before tax	-	481,099
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003 - 30%)	-	144,330
Effects of:		
Capital losses and indexation	-	(66,800)
Accelerated capital allowances	-	475
Disallowable expenditure	-	47,031
Differential rates of tax	-	(25,268)
Current tax credit	-	99,768

# **Quiller Electronics Limited**

## **Notes to the Financial Statements**

### **6. DIVIDENDS**

	2005	2004 (restated)
	£	£
Equity shares:		
Ordinary shares of £1 each		
Final £nil (2004: £250,000) per ordinary share	<u>-</u>	<u>500,000</u>

### **7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Amounts due by fellow subsidiary undertakings	123,750	123,750
Due by ultimate parent undertaking	<u>1,364,513</u>	<u>1,364,513</u>
	<u><u>1,488,263</u></u>	<u><u>1,488,263</u></u>

### **8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Amounts owed to parent undertakings	613,654	613,654
	<u><u>613,654</u></u>	<u><u>613,654</u></u>

### **9. CALLED UP SHARE CAPITAL**

Authorised:			2005	2004
Number:	Class:	Nominal value:	£	£
75,000	Ordinary	£1	75,000	75,000
125,000	Deferred	£1	<u>125,000</u>	<u>125,000</u>
			<u><u>200,000</u></u>	<u><u>200,000</u></u>

Allotted, issued and fully paid			2005	2004
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	2	2
125,000	Deferred	£1	<u>125,000</u>	<u>125,000</u>
			<u><u>125,002</u></u>	<u><u>125,002</u></u>

# Quiller Electronics Limited

## Notes to the Financial Statements

### 10. RESERVES

	Profit and loss account £
At 1 January 2005	749,607
Retained profit for the year	-
At 31 December 2005	<u>749,607</u>

### 11. PARENT COMPANY

The immediate parent undertaking is Quiller Holdings Limited, a company incorporated in the United Kingdom. The ultimate parent undertaking is Deltron Electronics plc, a company incorporated in the United Kingdom.

### 12. CONTINGENT LIABILITIES

The company has entered into a guarantee to secure the bank borrowings of Deltron Electronics plc and of fellow subsidiary undertakings.

### 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005 £	2004 (restated) £
Profit for the financial year	-	381,331
Dividends	-	<u>(500,000)</u>
<b>Net addition/(reduction) to shareholders' funds</b>	-	(118,669)
Opening shareholders' funds	<u>874,609</u>	<u>993,278</u>
<b>Closing shareholders' funds</b>	<u>874,609</u>	<u>874,609</u>
Equity interests	<u>874,609</u>	<u>874,609</u>