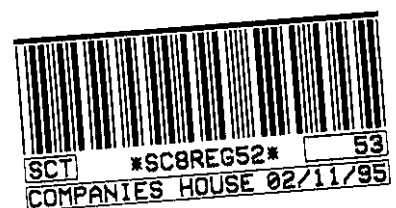


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CASA ELECTRONIC PRODUCTS LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1994



CASA ELECTRONIC PRODUCTS LIMITED

REPORT OF THE DIRECTORS  
for the year ended 31 December 1994

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The directors submit their annual report and financial statements for the year ended 31 December 1994.

**Activities**

The principal activity of the company during the year was the design and sale of electronic products. The company is actively seeking new work and hopes to return to a profitable situation in the near future.

**Directors**

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

	Ordinary shares of £1 each	
	31 December 1994	1 January 1994
J L Macdonald (resigned 17 May 1995)	-	-
J R MacLean	-	-


**Reporting Accountants**

The directors consider that for the year ended 31 December 1994 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Frame Kennedy & Forrest as Reporting Accountants.

**Small Company Exemptions**

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

Signed on behalf of Board of Directors

  
Messrs MacKenzie & Grant  
Secretaries

25 October 1995

CASA ELECTRONIC PRODUCTS LIMITED

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED FINANCIAL STATEMENTS

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In accordance with instructions given to us we have prepared financial statements for the company for the year ended 31 December 1994 according to the accounting provisions of the Companies Act 1985. The directors of the company have confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result we have not carried out an audit. The financial statements on pages 3 to 9 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to us by the directors.

Albyn House  
Union Street  
Inverness

FRAME KENNEDY & FORREST  
CHARTERED ACCOUNTANTS

25 October 1995

## CASA ELECTRONIC PRODUCTS LIMITED

### ACCOUNTING POLICIES

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

#### Turnover

Turnover represents sales derived from ordinary activities and is stated exclusive of VAT and discounts.

#### Depreciation

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

Plant and machinery	-	20% per annum on a reducing balance basis
Office equipment	-	20% per annum on a reducing balance basis

#### Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. No provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will not be payable in the foreseeable future.

#### Leased Assets

Assets acquired under finance leases are capitalised in the balance sheet and written off over their estimated useful lives.

Payments made under operating leases are charged to profit and loss in the year in which they are incurred.

#### Patents

Patents are written off over their estimated useful lives, on a straight line basis, at 4% per annum.

#### Cash Flow Statement

The company has taken advantage of the exemptions provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

CASA ELECTRONIC PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1994

	Notes	1994 £	1993 £
Turnover	1	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administration expenses		(2,680)	(1,556)
		<hr/>	<hr/>
Trading loss	2-4	(2,680)	(1,556)
Interest payable	5	-	(6)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	1	(2,680)	(1,562)
Tax on ordinary activities	6	-	-
		<hr/>	<hr/>
Retained loss for the year		(2,680)	(1,562)
		<hr/>	<hr/>
Statement of retained losses			
Retained loss brought forward		(124,690)	(123,128)
Retained loss for the year		(2,680)	(1,562)
		<hr/>	<hr/>
Retained loss carried forward		(127,370)	(124,690)
		<hr/>	<hr/>

The company has made no acquisitions nor discontinued any operations during either 1994 or 1993.

The company made no recognised gains or losses in 1994 or 1993 other than the loss for the year.

CASA ELECTRONIC PRODUCTS LIMITED

BALANCE SHEET

as at 31 December 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Intangible assets	7	8,001	8,401
Tangible assets	8	4,281	5,351
		<u>12,282</u>	<u>13,752</u>
CURRENT ASSETS			
Debtors	9	329	1,757
Cash at bank and in hand		1,037	316
		<u>1,366</u>	<u>2,073</u>
CREDITORS			
Amounts falling due within one year	10	(141,016)	(140,513)
NET CURRENT LIABILITIES		<u>(139,650)</u>	<u>(138,440)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(127,368)</u>	<u>(124,688)</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Profit and loss account		(127,370)	(124,690)
SHAREHOLDERS' FUNDS		<u>(127,368)</u>	<u>(124,688)</u>

The directors:

- 1 confirm that for the year ended 31 December 1994 the company was entitled to the exemption under subsection (1) of section 249A;
- 2 confirm that no notice requiring an audit had been deposited under subsection (2) of s249B in relation to the accounts for the financial year; and

CASA ELECTRONIC PRODUCTS LIMITED

BALANCE SHEET

as at 31 December 1994 (cont'd)

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3 acknowledge their responsibility for:

- a) ensuring that the company keeps accounting records which comply with section 221; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

Signed on behalf of Board of Directors



J R MacLean  
Director

Approved by the Board 25/10/95.

CASA ELECTRONIC PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 1994

1 **Turnover and Loss before Taxation**

Turnover and loss before taxation relate to the company's sole activity within the United Kingdom.

2 **Trading Loss**

Trading loss is stated after charging:

	1994 £	1993 £
Staff costs - Note 3	-	-
Amortisation of intangible assets	400	400
Depreciation on tangible assets	1,070	1,338
Hire of plant and machinery:		
Operating lease payments	739	739
	<hr/>	<hr/>

3 **Staff Costs**

	1994	1993
Average number of employees	2	2
	<hr/>	<hr/>

The costs incurred, including the directors' remuneration (Note 4) were as follows:

	£	£
Wages and salaries	-	-
Social security costs	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

4 **Directors' Remuneration**

None of the company's directors received any remuneration during 1994 (1993 - Nil).

5 **Interest Payable**

	1994 £	1993 £
Bank interest	-	(6)
	<hr/>	<hr/>

6 **Taxation on Ordinary Activities**

The company has no liability to corporation tax for the year ended 31 December 1994.

CASA ELECTRONIC PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 1994

7 Fixed Intangible Assets

	Patents costs £
Cost	
At start of year	8,401
Amortisation in year	400
	<hr/>
At end of year	8,001
	<hr/>

8 Fixed Tangible Assets

	Plant and Machinery £	Office Equipment £	Total £
Cost			
At start and end of year	8,775	10,148	18,923
	<hr/>	<hr/>	<hr/>
Depreciation			
At start of year	6,964	6,608	13,572
Charge for year	362	708	1,070
	<hr/>	<hr/>	<hr/>
At end of year	7,326	7,316	14,642
	<hr/>	<hr/>	<hr/>
Net book value			
At end of year	1,449	2,832	4,281
	<hr/>	<hr/>	<hr/>
At start of year	1,811	3,540	5,351
	<hr/>	<hr/>	<hr/>

9 Debtors

	1994 £	1993 £
Amounts due within one year		
Trade debtors	225	225
Other debtors	104	1,532
	<hr/>	<hr/>
	329	1,757
	<hr/>	<hr/>

CASA ELECTRONIC PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 1994

10 Creditors

	1994 £	1993 £
Amounts due within one year		
Trade creditors	(15,104)	(15,502)
Other creditors	(125,612)	(124,711)
Accruals	(300)	(300)
	<u>          </u>	<u>          </u>
	(141,016)	(140,513)
	<u>          </u>	<u>          </u>

11 Called up Share Capital

	1994 £	1993 £
Authorised Ordinary shares of £1 each	100,000	100,000
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid Ordinary shares of £1 each	2	2
	<u>          </u>	<u>          </u>

12 Reconciliation of Movements in Shareholders' Funds

	1994 £	1993 £
Loss for financial year	(2,680)	(1,562)
Opening shareholders' funds	(124,688)	(123,126)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	(127,368)	(124,688)
	<u>          </u>	<u>          </u>

13 Capital Commitments

There were no capital commitments at the beginning or end of the financial year.

14 Other Matters

The company's recent trading results and deficiency of assets imply that the company may not be able to continue to trade without the continued support of the company's directors, bankers and a third party and a return to profitability.

The financial statements have been prepared on a going concern basis which assumes that these circumstances will apply.