

**BOURNS ELECTRONICS LIMITED**

**FINANCIAL STATEMENTS**

**31st DECEMBER 2005**

**COMPANY REGISTRATION NUMBER 860907**

# **BOURNS ELECTRONICS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2005**

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# **BOURNS ELECTRONICS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Gordon Bourns  
William McKenna

**Company secretary**

Sean A. O'Sullivan

**Registered office**

Manton Lane  
Bedford  
MK41 7BJ  
United Kingdom

**Auditors**

Grant Thornton  
Chartered Accountants  
& Registered Auditors  
24 - 26 City Quay  
Dublin 2  
Ireland

**Bankers**

Royal Bank of Scotland  
Unit 9 Bay Centre  
Regents Way  
Dalgety Bay  
Fife KY11 5YD  
United Kingdom

**Solicitors**

Dundas & Wilson CS LLP  
Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN  
United Kingdom

# BOURNS ELECTRONICS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31st DECEMBER 2005

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

### PRINCIPAL ACTIVITIES

The principal activity of the company is as agent for the distribution of passive electronic components. There has been no significant change in the company's activities during the year. It is the intention of the directors to continue to develop the current activities of the company.

### THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary shares of STG£1 each	
	At 31 December 2005	At 1 January 2005
Gordon Bourns	—	—
William McKenna	—	—

The directors do not have any interests in the share capital of the company to be disclosed under Section 2 of Schedule 7 of the Companies Act, 1985.

### DIRECTORS' RESPONSIBILITIES

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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 re-appoint Grant Thornton as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# BOURNS ELECTRONICS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st DECEMBER 2005

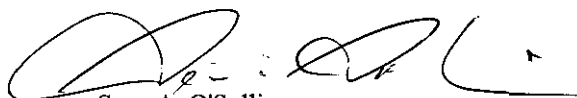
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### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Manton Lane  
Bedford  
MK41 7BJ  
United Kingdom

Signed by order of the directors



Sean A. O'Sullivan  
Company Secretary

Approved by the directors on July 23<sup>rd</sup> 2006

**BOURNS ELECTRONICS LIMITED****INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
BOURNS ELECTRONICS LIMITED****YEAR ENDED 31st DECEMBER 2005**

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We have audited the financial statements of Bourns Electronics Limited for the year ended 31st December 2005 on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 on pages 2 to 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant 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 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 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatement 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.

# BOURNS ELECTRONICS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BOURNS ELECTRONICS LIMITED *(continued)*

YEAR ENDED 31st DECEMBER 2005

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### OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2005 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

24-26 City Quay  
Dublin 2  
Ireland.

23. July 2006.

*Grant Thornton*

**GRANT THORNTON**  
Registered Auditors &  
Chartered Accountants

**BOURNS ELECTRONICS LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31st DECEMBER 2005**

	Note	2005 £	2004 £
<b>TURNOVER</b>		662,377	868,934
Administrative expenses		584,369	769,428
<b>OPERATING PROFIT</b>	1	78,008	99,506
Interest receivable		10,230	13,835
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		88,238	113,341
Tax on profit on ordinary activities	3	(12,226)	—
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		100,464	113,341
Balance brought forward		(229,132)	(342,473)
Balance carried forward		(128,668)	(229,132)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

These financial statements were approved by the directors on the 23<sup>rd</sup> July 2006 and are signed on their behalf by:



Gordon Bourns  
Director

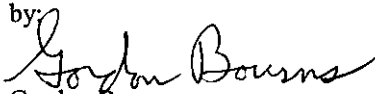


**BOURNS ELECTRONICS LIMITED****BALANCE SHEET****31st DECEMBER 2005**

	Note	£	2005 £	£	2004 £
<b>FIXED ASSETS</b>					
Tangible assets	4		61,727		59,840
<b>CURRENT ASSETS</b>					
Debtors	5	1,815,952		1,910,340	
Cash at bank		75,228		25,158	
		<u>1,891,180</u>		<u>1,935,498</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	45,850		188,745	
<b>NET CURRENT ASSETS</b>			<u>1,845,330</u>		<u>1,746,753</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,907,057</u>		<u>1,806,593</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	8		2,035,725		2,035,725
Profit and loss account			(128,668)		(229,132)
<b>SHAREHOLDERS' FUNDS</b>	9		<u>1,907,057</u>		<u>1,806,593</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 23<sup>rd</sup> Sep, 2006 and are signed on their behalf by:

  
Gordon Bourns  
Director

**BOURNS ELECTRONICS LIMITED****ACCOUNTING POLICIES****YEAR ENDED 31st DECEMBER 2005**

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**Basis of accounting**

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in England & Wales.

**Cash flow statement**

The directors have availed of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	-	25% straight line
Equipment	-	2.5% - 6.67% straight line

# BOURNS ELECTRONICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2005

### 1. OPERATING PROFIT

Operating profit is stated after charging/ (crediting):

	2005 £	2004 £
Directors' emoluments	—	—
Depreciation of owned fixed assets	29,342	27,378
Profit on disposal of fixed assets	<u>(1,085)</u>	<u>(355)</u>

### 2. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

	2005 £	2004 £
Wages and salaries	324,770	381,796
Social security costs	42,497	47,856
Other pension costs	43,241	28,452
	<u>410,508</u>	<u>458,104</u>

### 3. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2005 £	2004 £
Current tax:		
Corporation tax	—	—
Over/under provision in prior year	(12,226)	—
Total current tax	<u>(12,226)</u>	<u>—</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2004 - 30%).

	2005 £	2004 £
Profit on ordinary activities before taxation	<u>88,238</u>	<u>113,341</u>
Profit/(loss) on ordinary activities by rate of tax	26,471	34,002
Expenses not deductible for tax purposes	10,811	3,870
Difference between capital allowances and depreciation	(1,174)	1,280
Utilisation of tax losses	—	(5,281)
Group relief claimed	(37,202)	(33,991)
Other timing differences	1,094	120
Adjustment to tax charge in respect of prior years	<u>(12,226)</u>	<u>—</u>
Total current tax (note 3(a))	<u>(12,226)</u>	<u>—</u>

**BOURNS ELECTRONICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31st DECEMBER 2005****4. TANGIBLE FIXED ASSETS**

	<b>Brought forward 1 Jan 05 £</b>	<b>Additions £</b>	<b>Disposals £</b>	<b>Carried forward 31 Dec 05 £</b>
<b>COST</b>				
Motor Vehicles	116,878	42,374	(58,972)	100,280
Equipment	39,808	—	(39,808)	—
	<u>156,686</u>	<u>42,374</u>	<u>(98,780)</u>	<u>100,280</u>
	<b>Brought forward 1 Jan 05 £</b>	<b>Charges £</b>	<b>Disposals £</b>	<b>Carried forward 31 Dec 05 £</b>
<b>DEPRECIATION</b>				
Motor Vehicles	57,038	29,342	(47,827)	38,553
Equipment	39,808	—	(39,808)	—
	<u>96,846</u>	<u>29,342</u>	<u>(87,635)</u>	<u>38,553</u>
			<b>Brought forward 1 Jan 05 £</b>	<b>Carried forward 31 Dec 05 £</b>
<b>NET BOOK VALUE</b>				
Motor Vehicles			59,840	61,727
Equipment			—	—
			<u>59,840</u>	<u>61,727</u>

**5. DEBTORS**

	<b>2005 £</b>	<b>2004 £</b>
Amounts owed by group undertakings	1,758,410	1,644,733
Corporation tax repayable	—	15,598
VAT receivable	961	37,594
Other debtors	53,125	180,625
Prepayments and accrued income	3,456	31,790
	<u>1,815,952</u>	<u>1,910,340</u>

Included in other debtors is an amount of STG£53,125 (2004: STG£53,125) which is due after more than one year.

# BOURNS ELECTRONICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2005

### 6. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	4,642	2,749
Other creditors including taxation and social security: PAYE and social security	12,798	13,133
Accruals and deferred income	28,410	172,863
	<u>45,850</u>	<u>188,745</u>

### 7. RELATED PARTY TRANSACTIONS

The company has taken exemption from the requirement to disclose related party transactions on the basis it is a wholly owned subsidiary.

### 8. SHARE CAPITAL

#### Authorised share capital:

	2005 £	2004 £
2,100,000 Ordinary shares of STG£1 each	<u>2,100,000</u>	<u>2,100,000</u>

#### Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of STG£1 each	<u>2,035,725</u>	<u>2,035,725</u>	<u>2,035,725</u>	<u>2,035,725</u>

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

	2005 £	2004 £
Profit for the financial year	100,464	113,341
Opening shareholders' equity funds	1,806,593	1,693,252
Closing shareholders' equity funds	<u>1,907,057</u>	<u>1,806,593</u>

**BOURNS ELECTRONICS LIMITED**

**MANAGEMENT INFORMATION**

**YEAR ENDED 31st DECEMBER 2005**

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**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditors' report on pages 4 to 5.**

**BOURNS ELECTRONICS LIMITED****DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31st DECEMBER 2005**

	<b>2005</b> £	<b>2004</b> £
<b>TURNOVER</b>	662,377	868,934
<b>OVERHEADS</b>		
Administrative expenses	584,369	769,428
<b>OPERATING PROFIT</b>	78,008	99,506
Bank interest receivable	10,230	13,835
<b>PROFIT ON ORDINARY ACTIVITIES</b>	<u>88,238</u>	<u>113,341</u>

# BOURNS ELECTRONICS LIMITED

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 2005

	£	2005 £	£	2004 £
<b>ADMINISTRATIVE EXPENSES</b>				
<b>Personnel costs</b>				
Wages and salaries	324,770		381,796	
Staff national insurance contributions	42,497		47,856	
Staff pension contributions	43,241		28,452	
		410,508		458,104
<b>Establishment expenses</b>				
Rent, rates and water	34,360		62,177	
Light and heat	6,455		9,540	
Insurance	5,546		12,658	
Repairs and maintenance	(34,210)		35,326	
		12,151		119,701
<b>General expenses</b>				
Other motor and travel expenses	74,939		93,807	
Telephone	35,381		34,215	
Stationery and postage	2,278		2,872	
Staff training	891		5,250	
General expenses	2,600		3,534	
Other professional fees	13,073		20,634	
Depreciation	29,342		27,378	
Profit on disposal of fixed assets	(1,085)		(355)	
		157,419		187,335
<b>Financial costs</b>				
Bank charges		4,291		4,288
		584,369		769,428
<b>INTEREST RECEIVABLE</b>				
Bank interest receivable		10,230		13,835