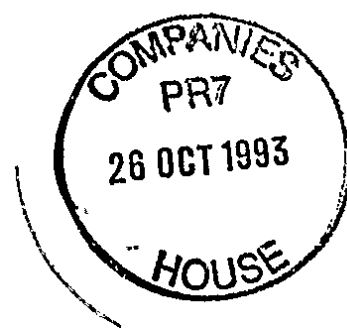


MAPLIN ELECTRONICS PLC

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 1993

PANNELL KERR FORSTER
Chartered Accountants



MAPLIN ELECTRONICS PLC
(Registered Number 1264385)
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1993

CONTENTS

COMPANY INFORMATION	1
DIRECTORS' REPORT	2
STATEMENT OF DIRECTORS' RESPONSIBILITIES	4
AUDITORS' REPORT	5
PROFIT AND LOSS ACCOUNT	6
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES AND HISTORICAL COST PROFIT AND LOSSES	7
BALANCE SHEET	8
CASH FLOW STATEMENT	9
NOTES TO THE FINANCIAL STATEMENTS	10

**MAPLIN ELECTRONICS PLC
COMPANY INFORMATION**

DIRECTORS

R L Allen
S W Allen
D M Simmons
D M Snoad
R D Parker
J C Fawcett

SECRETARY

J C Fawcett

REGISTERED OFFICE

The Maplin Complex
Oak Road South
Hadleigh
Essex SS7 2BB

AUDITORS

Pannell Kerr Forster
Chartered Accountants
New Garden House
78 Hatton Garden
London EC1N 8JA

MAPLIN ELECTRONICS PLC DIRECTORS' REPORT

The directors present their report together with the financial statements of the company for the year ended 30 June 1993.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review continued to be that of mail order and retail distribution of electronic components and finished products, together with the publication and distribution of the company's catalogue and magazine.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The result for the year, position of the company and recommended transfer to reserves are as shown in the financial statements.

The company is still committed to its policy of retail expansion. During the year the company opened five new shops with another five expected to commence trading during 1993. This would bring the total number of retail outlets to twenty eight. To assist this expansion programme an injection of £350,000 share capital was made during the year in the form of Cumulative Convertible Preference Shares.

The company has increased its penetration of the business sales sector of the market and has developed the systems and standard of service required to further exploit this market. Maplin is committed to an ongoing programme of training and quality improvement. As a result, in June 1991, the company was awarded the BS 5750 Kitemark under the British Standards Institute's Registered Stockist Scheme. In the year under review, the company has maintained the standards required to retain the Kitemark.

During the year, the company's operations in the Far East commenced trading. It is the company's policy to significantly expand its overseas operations over the next five years.

DIVIDENDS

The paid interim and final dividends are shown in the financial statements.

MARKET VALUE OF LAND AND BUILDINGS

The difference between the market value and historical cost of land and buildings is as shown in the notes to the financial statements.

FIXED ASSETS

Significant changes in fixed assets during the year are summarised in the notes to the financial statements.

**MAPLIN ELECTRONICS PLC
DIRECTORS' REPORT**

EMPLOYEES

Throughout the entire company, the directors rely very heavily on each employee using his or her particular skills to their fullest extent. Some of these skills are creative in terms of writing articles or computer programming or obtaining the best deal from suppliers. Other skills like order picking and packing may appear to be more mundane but are in reality central to the success of the company. Accuracy, attention to detail and commitment have always been hallmarks of Maplin's employees and the directors both recognise and appreciate the contribution that all staff make.

For this reason, the company will always select those employees who possess the right attributes for the job in question. There is therefore no discrimination on the grounds of sex, race, colour, creed, marital status or disability and this is a policy which the company is firmly committed to.

It is also the company's policy to promote from within wherever possible, and equal opportunities will pertain in this area of employee relations as in recruitment.

The directors recognise that appropriate training of staff is crucial to the future expansion and efficiency of the company. To this end, the board has taken the first step in declaring commitment to the Investors in People initiative (IiP). Under this scheme, the company's existing training programme will be assessed against the IiP's National Standard for training and development of staff. An action plan to enhance our training programme will subsequently be developed and implemented, formal accreditation for IiP being the company's goal.

DIRECTORS

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

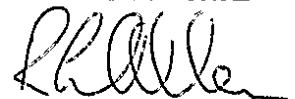
Name	Class of Capital	30 June 1993	1 July 1992
R L Allen	Ordinary £1	15,409	15,456
S W Allen	Ordinary £1	3,434	3,434
D M Simmons	Ordinary £1	18,910	18,910
D M Snoad	-	-	-
R D Parker	-	-	-
J C Fawcett (appointed 30 June 1993)	-	-	-

R D Parker is a director of Brown Shipley Venture Managers Limited, the manager of The Brown Shipley Development Capital Fund, which owns the beneficial interest in 32,000 Cumulative Convertible Voting Participating Preference Shares of £1 each and in 350,000 Cumulative Redeemable Preference Shares of £1 each.

AUDITORS

A resolution to reappoint Pannell Kerr Forster as auditors will be put to the members at the Annual General Meeting.

SIGNED ON BEHALF OF THE BOARD



R L ALLEN
Chairman

29 September 1993

MAPLIN ELECTRONICS PLC
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 JUNE 1993

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;
- state whether applicable accounting standards have been followed;
- 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' REPORT TO THE SHAREHOLDERS OF
MAPLIN ELECTRONICS PLC**

We have audited the financial statements on pages 6 to 22 which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards. 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 of the state of affairs of the company as at 30 June 1993 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pannell Kerr Forster

London

1 October 1993

PANNELL KERR FORSTER
Chartered Accountants
Registered Auditor

MAPLIN ELECTRONICS PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1993

	<u>Notes</u>	<u>£</u>	<u>1993</u>	<u>£</u>	<u>1992</u>	<u>£</u>
Turnover : continuing operations	2		24,768,318		19,132,509	
Cost of sales : continuing operations			(15,144,410)		(11,547,933)	
Gross profit : continuing operations			9,623,908		7,584,676	
Distribution costs		2,718,543		2,130,532		
Administrative expenses		5,131,494		4,357,787		
			(7,850,037)		(6,488,319)	
			1,773,871		1,096,357	
Other operating income	3		31,885		63,983	
Operating profit : continuing operations	5		1,805,756		1,160,340	
Other interest receivable and similar income			1,360		-	
			1,807,116		1,160,340	
Interest payable and similar charges	6		(422,358)		(514,870)	
Profit on ordinary activities before taxation			1,384,758		645,470	
Tax on profit on ordinary activities	7		(340,846)		(173,266)	
Profit for the financial year			1,043,912		472,204	
Dividends	8		(139,414)		(71,100)	
Retained profit for the financial year			904,498		401,104	
Retained reserves brought forward		1,512,964		1,102,607		
Depreciation of revaluation surplus	19	1,404		9,253		
			1,514,368		1,111,860	
Retained reserves carried forward			2,418,866		1,512,964	

The notes form part of these financial statements.

MAPLIN ELECTRONICS PLC
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
AND HISTORICAL COST PROFIT AND LOSSES
YEAR ENDED 30 JUNE 1993

	<u>1993</u> £	<u>1992</u> £
Statement of Total Recognised Gains and Losses		
Profit for the financial year	1,043,912	472,204
Unrealised deficit on revaluation of properties	(84,386)	(379,333)
Grant of share options	-	6
Expenses relating to issue of shares	(6,267)	-
Total recognised	<u>953,259</u>	<u>92,877</u>
 Note of Historical cost profits and losses		
Reported profit on ordinary activities before tax	1,384,758	645,470
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	1,404	9,253
Historical cost profit on ordinary activities before tax	<u>1,386,162</u>	<u>654,723</u>
Historical cost profit on ordinary activities after tax and dividends	<u>905,902</u>	<u>410,357</u>

MAPLIN ELECTRONICS PLC
BALANCE SHEET
30 JUNE 1993

	<u>Notes</u>	£	<u>1993</u>	£	£	<u>1992</u>	£
FIXED ASSETS							
Tangible assets	9		4,543,505			4,104,446	
CURRENT ASSETS							
Stocks	11	4,752,905		4,519,279			
Debtors	12	998,034		717,521			
Cash at bank and in hand		184,307		19,105			
			<hr/>		<hr/>		
		5,935,246		5,255,905			
CREDITORS							
Amounts falling due within one year	13	(5,668,008)		(5,511,296)			
			<hr/>		<hr/>		
NET CURRENT ASSETS/(LIABILITIES)			267,238			(255,391)	
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>			<hr/>	
			4,810,743			3,849,055	
CREDITORS							
Amounts falling due after more than one year							
Bank loans	14	843,751		931,250			
Directors' loans		350,000		350,000			
Obligations under lease purchase contracts	15	305,030		419,688			
			<hr/>		<hr/>		
			(1,498,781)			(1,700,938)	
			<hr/>		<hr/>		
			3,311,962			2,148,117	
			<hr/>		<hr/>		
CAPITAL AND RESERVES							
Share capital	16		420,000			70,000	
Share premium	18		429,257			435,524	
Revaluation reserve	19		43,839			129,629	
Profit and loss account			2,418,866			1,512,964	
			<hr/>		<hr/>		
			3,311,962			2,148,117	
			<hr/>		<hr/>		

Approved by the board on 29 September 1993

R L ALLEN

Director

The notes form part of these financial statements.

MAPLIN ELECTRONICS PLC
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 1993

	<u>Notes</u>	<u>£</u>	<u>1993</u>	<u>£</u>	<u>£</u>	<u>1992</u>	<u>£</u>
Net cash flow from operating activities	21		2,098,705			731,059	
Returns on investments and servicing of finance							
Interest received		1,245			80		
Interest paid		(436,813)			(502,657)		
Dividends paid		(139,414)			(106,650)		
Net cash outflow from returns on investments and servicing of finance			(574,982)			(609,227)	
Taxation							
UK corporation tax paid			(11,133)			(23,700)	
Investing activities							
Payments to acquire tangible fixed assets		(975,544)			(817,419)		
Receipts from sales of tangible fixed assets		23,765			51,500		
Net cash outflow from investing activities			(951,779)			(765,919)	
Net cash inflow/(outflow) before financing			560,811			(667,787)	
Financing							
Issue of share capital less expenses		(343,733)			-		
Grant of share options		-			(6)		
New lease purchase contracts		(183,004)			(303,395)		
New unsecured loans		(45,760)			(49,958)		
Repayment of lease purchase obligations		264,590			253,091		
Repayment of loans		44,180			49,979		
Net cash (inflow) from financing	22		(263,727)			(50,289)	
Increase/(decrease) in cash and cash equivalents	23		824,538			(617,498)	
			560,811			(667,787)	

The notes form part of these financial statements.

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable Accounting Standards.

Turnover

Turnover represents net invoiced sales of goods and services excluding value added tax.

Depreciation

No depreciation is provided on freehold land.

For all other assets, depreciation is provided 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% per annum
Short leasehold property and improvements thereto	- over the remaining period of the lease
Long leasehold property and improvements thereto	- over the remaining period of the lease, subject to a maximum of 25 years
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Leasing commitments

Assets obtained under lease purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The costs of operating leases are charged to the profit and loss account as they accrue.

Government grants

Grants of a revenue nature are credited to income in the period to which they relate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating loss.

Pension costs

The company operates a defined benefit pension scheme. Contributions to this scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees working lives with the company.

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	<u>1993</u> £	<u>1992</u> £
Sales from UK operations:		
Inland sales	23,848,879	18,775,874
Export sales	648,682	356,735
	<hr/>	<hr/>
	24,497,561	19,132,609
 Sales from Overseas operations:		
Export sales	270,757	-
	<hr/>	<hr/>
	24,768,318	19,132,609
	<hr/>	<hr/>

Within the company's principal activity the turnover may be categorised as follows:

Mail order to retail customers	7,006,275	6,887,064
Mail order to trade customer	4,438,458	3,321,358
Shops	12,377,406	8,315,657
Magazine	263,644	289,219
Catalogue	195,570	158,680
Advertising space	41,640	40,893
Other	445,325	119,738
	<hr/>	<hr/>
	24,768,318	19,132,609
	<hr/>	<hr/>

3 OTHER OPERATING INCOME

Government grants	-	40,000
Rents receivable	22,399	15,294
Other income	9,486	8,689
	<hr/>	<hr/>
	31,885	63,983
	<hr/>	<hr/>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

4 STAFF COSTS

	<u>1993</u> £	<u>1992</u> £
Wages and salaries	4,571,587	3,614,802
National insurance	352,462	280,843
Pension costs	101,007	74,611
Other staff costs	119,435	90,782
	<hr/> 5,144,491	<hr/> 4,061,038

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

	<u>Number</u>	<u>Number</u>
Administration and management	97	93
Production and despatch	151	139
Retail outlets	145	115
	<hr/>	<hr/>
UK operations	393	347
Overseas operations	3	-
	<hr/> 396	<hr/> 347

5 OPERATING PROFIT

	£	£
(a) Operating profit is stated after charging:		
Directors' remuneration excluding benefits in kind (see below)	191,478	175,808
Depreciation	424,077	377,515
Loss on disposal of fixed assets	7,338	2,585
Auditors' remuneration	14,397	12,000
Hire of plant and machinery	25,499	17,343
Other operating lease rentals	571,716	355,431
Fees for non-audit work payable to auditors during the year	4,875	3,050
	<hr/>	<hr/>
(b) Directors emoluments are made up as follows:		
Fees	7,300	7,000
Emoluments including benefits in kind	205,003	192,188
	<hr/>	<hr/>
	212,303	199,188

The emoluments of the chairman, including benefits in kind, but excluding pension contributions, were £58,813 (1992 : £58,470). Other directors' emoluments, excluding pension contributions, fell within the following ranges:

	<u>1993</u> Number	<u>1992</u> Number
£ 0 - £ 5,000	1	-
£ 5,001 - £10,000	1	1
£35,001 - £40,000	-	1
£45,001 - £50,000	3	2
	<hr/>	<hr/>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

6 INTEREST PAYABLE AND SIMILAR CHARGES		<u>1993</u> £	<u>1992</u> £
On loans repayable within five years:			
Bank loans and overdrafts (see below)		289,389	303,871
Lease purchase contracts		62,303	86,768
Directors loans		55,373	66,611
		<hr/>	<hr/>
Other loans repayable wholly or in part after five years:		407,065	457,250
		15,293	57,620
		<hr/>	<hr/>
		<u>422,358</u>	<u>14,870</u>
		<hr/>	<hr/>
7 TAXATION		<u>1993</u> £	<u>1992</u> £
The tax charge on the profit on ordinary activities for the year was as follows:			
Based on the adjusted results for the year:			
UK Corporation tax at current rates		413,000	210,000
Adjustment in respect of previous year		(72,154)	(36,734)
		<hr/>	<hr/>
		<u>340,846</u>	<u>173,266</u>
		<hr/>	<hr/>
8 DIVIDENDS			
Dividends paid during the year were as follows:			
		<u>1993</u>	<u>1992</u>
		£	£
70,000	Ordinary shares - final paid	15,200	-
32,000	Cumulative convertible voting participating preference shares		
	Interim paid	59,250	35,550
	Final paid	63,200	35,550
		<hr/>	<hr/>
		122,450	71,100
350,000	Cumulative redeemable preference shares - final paid	1,764	-
		<hr/>	<hr/>
		<u>139,414</u>	<u>71,100</u>
		<hr/>	<hr/>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

9 TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS				
	Freehold land & buildings £	Long leasehold property and improvements £	Short leasehold property and improvements £	
Cost or valuation				
At 1 July 1992	2,295,347	-	562,855	
Additions	-	96,225	260,179	
Revaluations	(84,386)	-	-	
Disposals	-	-	-	
Transfers	100,099	59,177	(59,177)	
	<hr/>	<hr/>	<hr/>	
At 30 June 1993	2,311,060	155,402	763,857	
	<hr/>	<hr/>	<hr/>	
Depreciation				
At 1 July 1992	139,306	-	89,967	
Charge for year	40,559	763	43,108	
Eliminated on disposals	-	-	-	
Transfers	57,554	15,496	(15,496)	
	<hr/>	<hr/>	<hr/>	
At 30 June 1993	237,419	16,259	117,579	
	<hr/>	<hr/>	<hr/>	
Net Book Values				
At 30 June 1993	2,073,641	139,143	646,278	
	<hr/>	<hr/>	<hr/>	
At 1 July 1992	2,156,041	-	472,888	
	<hr/>	<hr/>	<hr/>	
	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation				
At 1 July 1992	1,419,857	293,512	830,362	5,401,933
Additions	340,355	115,203	166,662	978,624
Revaluations	-	-	-	(84,386)
Disposals	(14,636)	(67,801)	-	(82,437)
Transfers	(100,099)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1993	1,645,477	340,914	997,024	6,213,734
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 July 1992	569,318	141,551	357,345	1,297,487
Charge for year	155,215	48,476	135,956	424,077
Eliminated on disposals	(6,348)	(44,987)	-	(51,335)
Transfers	(57,554)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1993	660,631	145,040	493,301	1,670,229
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Values				
At 30 June 1993	984,846	195,874	503,723	4,543,505
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 July 1992	850,539	151,961	473,017	4,104,446
	<hr/>	<hr/>	<hr/>	<hr/>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

9 TANGIBLE FIXED ASSETS (continued)

£

The freehold land and buildings comprise:
 1993 Valuation

2,073,641

Freehold land and buildings have been valued at open market value as at 30 June 1993 by Kester Rowe or by Lancasters, Chartered Surveyors, apart from one property which has been valued by the directors at cost at £55,328.

If they had not been revalued, they would be included in the financial statements at the following amounts:

Cost 2,238,493

Accumulated depreciation 208,693

Fixed assets held under lease purchase contracts are as follows:

	<u>Freehold buildings</u> £	<u>Fixtures & fittings</u> £	<u>Motor vehicles</u> £	<u>Computer equipment</u> £	<u>Total</u> £
Cost					
At 1 July 1992	62,500	425,990	158,995	504,469	1,151,954
New contracts	-	37,731	106,928	41,299	185,958
Settlements	-	-	(55,148)	-	(55,148)
Disposals	-	(7,950)	(29,866)	-	(37,816)
At 30 June 1993	<u>62,500</u>	<u>455,771</u>	<u>180,909</u>	<u>545,768</u>	<u>1,244,948</u>
Depreciation					
At 1 July 1992	3,438	150,021	53,942	157,673	365,074
Charge for year	1,250	47,055	39,232	89,800	177,337
Eliminated on settlements	-	-	(35,865)	-	(35,865)
Eliminated on disposals	-	(3,312)	(18,911)	-	(22,223)
At 30 June 1993	<u>4,688</u>	<u>193,764</u>	<u>38,398</u>	<u>247,473</u>	<u>484,323</u>
Net Book Values					
At 30 June 1993	<u>57,812</u>	<u>262,007</u>	<u>142,511</u>	<u>298,295</u>	<u>760,625</u>
At 1 July 1992	<u>59,062</u>	<u>275,969</u>	<u>105,053</u>	<u>346,796</u>	<u>786,880</u>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

10 FIXED ASSET INVESTMENTS

During the year Inline Design Systems Limited, in which the company owned a 50% holding of the allotted share capital, was dissolved at a cost to the company of £2,186.

11 STOCKS

	<u>1993</u> £	<u>1992</u> £
Finished goods	4,752,905	4,519,279

12 DEBTORS

Trade debtors	689,814	468,829
Other debtors	66,093	84,343
Prepayments	242,127	164,349
	<u>998,034</u>	<u>717,521</u>

Other debtors include a loan to a director, Mr D M Sneed, of £5,115 (1992 £Nil) including unpaid interest of £115. The loan and interest have been repaid in full subsequent to the year end. The maximum amount outstanding during the year excluding interest was £10,000. This loan was advanced by the company as a bridging loan in order to provide the director with sufficient funds to meet expenditure incurred by him for the purposes of the company.

13 CREDITORS

Amounts falling due within one year:

Bank loans and overdrafts (see note 14)	2,134,216	2,731,052
Payments received on account	36,181	36,067
Trade creditors	1,547,320	1,359,243
Customer credits	88,518	88,518
Taxation and social security	464,066	311,250
Corporation tax	506,277	187,987
Accruals and deferred income	403,050	368,450
Obligations under lease purchase contracts (see note 15)	262,202	229,131
Directors' current accounts	226,178	199,598
	<u>5,668,008</u>	<u>5,511,296</u>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

14 BANK LOANS AND OVERDRAFTS

1993
£

1992
£

The aggregate amount of bank loans and overdrafts was as follows:

(a) Falling due within one year:

Bank overdraft

2,046,716

2,706,052

Bank loans - current portion

87,500

25,000

2,134,216

2,731,052

(b) Falling due after more than one year:

Bank loans repayable

- within five years

837,500

837,500

- after five years

6,251

93,750

843,751

931,250

Aggregate amounts

2,977,967

3,662,302

The bank overdraft is secured by a legal charge over the company's freehold properties, and an equitable charge by virtue of a debenture over the company's leasehold property. In addition, the bank holds a floating charge over the company's net assets.

There are three loans in existence at the balance sheet date:

Loan No 1

Repayable in monthly instalments of £2,083 and bearing interest at 2% over base rate. The loan is secured by a legal charge over the Freehold Land and Buildings situated at Oak Road South, Benfleet, Essex and at 284 London Road, Westcliff-on-Sea, Essex.

Loan No 2

Repayable in eight half-yearly instalments of £62,500 commencing January 1994 and bearing interest at 7% per annum, after rebates. The loan is secured by a legal charge over the Freehold Land and Buildings situated at Valley Road, Wombwell, South Yorkshire.

Loan No 3

Repayable in full in February 1995, being five years after the date on which the loan was drawn and bearing interest at 10.67% per annum, after rebates. The loan is subject to the same security as Loan No 2.

15 OBLIGATIONS UNDER LEASE PURCHASE CONTRACTS

£

Net obligations under lease purchase contracts are payable:

Within one year

262,202

Between two and five years

305,030

567,232

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

16 CALLED UP SHARE CAPITAL

			<u>1993</u>	<u>1992</u>
			£	£
Authorised:				
Number	Class	Nominal Value		
41,660	Ordinary	£1	41,660	41,660
32,000	Cumulative Convertible Voting Participating Preference	£1	32,000	32,000
350,000	Cumulative Redeemable Preference Shares	£1	350,000	-
			<hr/>	<hr/>
			423,660	73,660
			<hr/>	<hr/>
Allotted, Issued and Fully Paid:				
38,000	Ordinary Shares of £1 each		38,000	38,000
32,000	Cumulative Convertible Voting Participating Preference Shares of £1 each		32,000	32,000
350,000	Cumulative Redeemable Preference Shares of £1 each		350,000	-
			<hr/>	<hr/>
			420,000	70,000
			<hr/>	<hr/>

During the year the company issued 350,000 Cumulative Redeemable Preference Shares of £1 each at par for cash. The purpose of the issue was to increase the working capital of the company and assist in its retail expansion.

The shares are to be redeemable as follows:

<u>Redemption Date</u>	<u>Number of Redeemable Preference Shares to be redeemed</u>
31 December 1995	87,500
30 June 1996	87,500
31 December 1996	87,500
30 June 1997	87,500
	<hr/>
	350,000
	<hr/>

In addition, the company may at any time by not giving less than 14 days notice redeem the whole or part of the shares outstanding. The shares shall be redeemed at a premium of 5% per annum on the issue price, compounded annually.

The convertible preference shares are convertible at any time after 30 June 1997, or earlier if a sale or listing of the company occurs, into ordinary shares of £1 each. Dependant on the terms of conversion, the convertible preference shares are convertible into between 30% and 45% of the total number of ordinary shares in issue after such a conversion.

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

17 EXECUTIVE SHARE OPTION SCHEME

During the year ended 30 June 1992, a share option scheme was introduced for executives of the company. At 30 June 1993 options to subscribe for ordinary shares were held as follows:

2,346 shares at £90 exercisable between 28 February 1995 and 28 February 2002.

No new options were granted during the year.

18 SHARE PREMIUM RESERVE

	<u>1993</u> £
At 1 July 1992	435,524
Expenses relating to issue of shares	(6,267)
	<hr/>
At 30 June 1993	429,257
	<hr/>

19 REVALUATION RESERVE

	<u>1993</u> £
At 1 July 1992	129,629
Eliminated on revaluations	(84,386)
Transfer to Profit and Loss Account	(1,404)
	<hr/>
At 30 June 1993	43,839
	<hr/>

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1993</u> £	<u>1992</u> £
Profit for the financial year	1,043,912	472,204
Dividends	(139,414)	(71,100)
	<hr/>	<hr/>
Other recognised losses for the year	904,498	401,104
New share capital subscribed	(90,653)	(379,327)
	350,000	-
	<hr/>	<hr/>
Net addition to shareholders' funds	1,163,845	21,777
Opening shareholders' funds	2,148,117	2,126,340
	<hr/>	<hr/>
Closing shareholders' funds	3,311,962	2,148,117
	<hr/>	<hr/>

21 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Operating profit	1,805,756	1,160,340
Depreciation of tangible fixed assets	424,077	377,515
Loss on disposal of tangible fixed assets	7,338	2,585
(Increase) in stocks	(233,626)	(1,196,393)
(Increase) in debtors	(280,397)	(124,984)
Increase in creditors	379,639	507,914
(Decrease)/increase in pension fund provision	(4,082)	4,082
	<hr/>	<hr/>
Net cash flow from operating activities	2,098,705	731,059
	<hr/>	<hr/>

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

22 ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	<u>1993</u>			<u>1992</u>		
	<u>Total</u>	<u>Share</u>	<u>Loans &</u>	<u>Total</u>	<u>Share</u>	<u>Loans &</u>
	<u>financing</u>	<u>capital</u>	<u>lease</u>	<u>financing</u>	<u>capital</u>	<u>lease</u>
	<u>£</u>	<u>including</u>	<u>purchase</u>	<u>£</u>	<u>including</u>	<u>purchase</u>
		<u>premium</u>	<u>obligations</u>		<u>premium</u>	<u>obligations</u>
		<u>£</u>	<u>£</u>		<u>£</u>	<u>£</u>
Balance at 1 July	2,660,191	505,524	2,154,667	2,609,902	505,518	2,104,384
Net cash inflow/(outflow) from financing	263,727	343,733	(80,006)	50,289	6	50,283
Balance at 30 June	2,923,918	849,257	2,074,661	2,660,191	505,524	2,154,667

23 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	<u>1993</u>	<u>1992</u>
	<u>£</u>	<u>£</u>
Balance at 1 July	(2,686,947)	(2,069,449)
Net cash inflow/(outflow)	824,538	(617,498)
Balance at 30 June	(1,862,409)	(2,686,947)

24 ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	<u>1993</u>	<u>1992</u>	<u>Change</u>
	<u>£</u>	<u>£</u>	<u>in year</u>
			<u>£</u>
Cash at bank and in hand	184,307	19,105	165,202
Bank overdrafts	(2,046,716)	(2,706,052)	659,336
Total cash and cash equivalents	(1,862,409)	(2,686,947)	824,538

25 MAJOR NON-CASH TRANSACTIONS

During the year the group entered into lease purchase contracts in respect of assets with a total capital value at inception of £185,958 (1992 : £344,350).

26 CONTINGENT LIABILITIES

There is a contingent liability in respect of a £100,000 duty deferment bond to Customs and Excise.

27 CAPITAL COMMITMENTS

	<u>1993</u>	<u>1992</u>
	<u>£</u>	<u>£</u>
Authorised by the directors but not contracted for	315,500	274,722
	315,500	274,722

MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993

28 DEFERRED TAXATION

Deferred taxation arising in respect of accelerated capital allowances has not been provided on the grounds that it is not expected to reverse in the foreseeable future. The potential deferred taxation liability is £135,000 (1992 : £58,000).

29 PENSION COMMITMENTS

The company has a managed invested pension scheme for its present directors and employees, administered by Noble Lowndes and Partners Limited. Premiums paid to or provided for this scheme amounted to:

	<u>1993</u> £	<u>1992</u> £
Directors	8,004	7,368
Employees	93,003	67,243
	<hr/> 101,007	<hr/> 74,611

The scheme operated is a defined benefit funded one, contributions being payable both by employees and by the company. The scheme utilises the "Projected Unit Credit" method of valuation, which is designed to give stable contribution rates from one valuation to the next provided the age distribution of the scheme remains reasonably constant and the experience of the scheme broadly follows the valuation assumptions.

The last valuation was carried out as at 1 April 1993 in accordance with the guidelines issued by the Institute and Faculty of Actuaries by Consulting Actuaries, Noble Lowndes & Partners Limited, 5 Bedford Park, Croydon CR9 2ZT.

At the date of this valuation, the market value of scheme assets was £1,059,000 and the level of funding (i.e. ratio of assets to liabilities) was 89%. The calculated regular contribution rate is 9.7%, plus an adjustment of 0.5% to amortise the scheme deficit of £130,000. In addition to this, the company has elected to pay 0.3% to permit sex equalisation to benefits. Of the total amount of 10.5%, 3% is payable by participating employees.

The main assumptions underlying the valuation were as follows:

Valuation rate of interest	10% per annum compound
Rate of salary growth	8% per annum compound
Dividend growth and inflation	5.5% per annum compound

30 OPERATING LEASE COMMITMENTS

The company has annual commitments in respect of leases for land and buildings expiring as follows:

	<u>1993</u> £	<u>1992</u> £
Less than one year	7,000	-
Between 2-5 years	77,500	84,500
More than 5 years	593,217	399,092
	<hr/> 677,717	<hr/> 483,592

**MAPLIN ELECTRONICS PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1993**

31 DIRECTORS' INTERESTS

During the year the company entered into a lease for a shop with Mr D M Snoad, a director of the company. The lease is considered to be at a normal market rent and was undertaken in the ordinary course of the company's business. Rent payable to Mr D M Snoad in the period was £14,918.