

REGISTRAR COPY

financial statements abbreviated

PRP Optoelectronics Limited

For the year ended 30 September 2004

Company registration number: 2383612



MacIntyre Hudson

THE FUTURE IS WHAT YOU MAKE IT™

PRP Optoelectronics Limited

Abbreviated Accounts

Year ended 30 September 2004

Contents	Page
Independent auditors' report to the company	1
Abbreviated balance sheet	2
Accounting policies	3
Notes to the abbreviated accounts	5

PRP Optoelectronics Limited

Independent Auditors' Report to PRP Optoelectronics Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the Abbreviated Balance Sheet, Accounting Policies and the related notes, together with the financial statements of PRP Optoelectronics Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 2004

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 A(3) of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts under that section of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

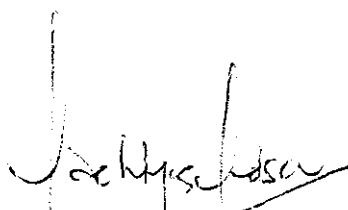
We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 247 and 247A of the Companies Act 1983 to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act, in respect of the year ended 30 September 2004 and the abbreviated accounts set out pages 2 to 6 have been properly prepared in accordance with those provisions.

Peterbridge House
The Lakes
Northampton
NN4 7HB

4 November 2004



MACINTYRE HUDSON
Chartered Accountants
& Registered Auditors

PRP Optoelectronics Limited

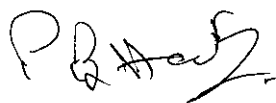
Abbreviated Balance Sheet

30 September 2004

	Note	2004 £	2003 £
Fixed assets	1		
Tangible assets		<u>155,039</u>	<u>98,166</u>
Current assets			
Stocks		758,013	791,254
Debtors		208,321	418,726
Cash at bank and in hand		<u>742,078</u>	<u>672,448</u>
		<u>1,708,412</u>	<u>1,882,428</u>
Creditors: amounts falling due within one year		<u>256,612</u>	<u>410,587</u>
Net current assets		1,451,800	1,471,841
Total assets less current liabilities		1,606,839	1,570,007
Provisions for liabilities and charges		74,144	48,200
		<u>£1,532,695</u>	<u>£1,521,807</u>
Capital and reserves			
Called-up equity share capital	3	264,000	264,000
Profit and loss account		<u>1,268,695</u>	<u>1,257,807</u>
Shareholders' funds		<u>£1,532,695</u>	<u>£1,521,807</u>

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

These abbreviated accounts were approved by the directors on 4 November 2004 and are signed on their behalf by:



Dr P B Hart



Mr P J Abbey

The accounting policies and notes on pages 3 to 6 form part of these abbreviated accounts.

PRP Optoelectronics Limited

Accounting Policies

Year ended 30 September 2004

Basis of accounting

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

Cash flow statement

The directors have taken advantage 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 represents net invoiced sales and services to customers exclusive of value added tax

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:

Plant and machinery - straight line basis over 3 - 5 years

The company undertakes some capital development work. Costs attributable to such projects are treated as fixed asset expenditure during production. Once completed, these assets are depreciated evenly in common with all of the other fixed assets of the company over their estimated useful lives.

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value.

Cost is calculated on an average basis and includes a proportion of overheads and direct labour costs.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

PRP Optoelectronics Limited

Accounting Policies *(continued)*

Year ended 30 September 2004

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

PRP Optoelectronics Limited

Notes to the Abbreviated Accounts

Year ended 30 September 2004

1. Fixed assets

	Tangible Assets £
Cost	
At 1 October 2003	701,871
Additions	90,508
At 30 September 2004	£792,379
Depreciation	
At 1 October 2003	603,705
Charge for year	33,635
At 30 September 2004	£637,340
Net book value	
At 30 September 2004	£155,039
At 30 September 2003	£98,166

2. Related party transactions

During the year the company paid £15,000 (2003 - £7,500 for six months) to Q Corp Limited for the services of Dr N K Reay, a director and Chairman of the company. This is included within directors remuneration.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

3. Share capital

Authorised share capital:

	2004 £	2003 £
200,000 Ordinary shares of £1 each	200,000	200,000
108,000 'A' Ordinary shares of £1 each	108,000	108,000
100,000 Preference shares of £1 each	100,000	100,000
	£408,000	£408,000

Allotted, called up and fully paid:

	2004 No	£	2003 No	£
Ordinary shares of £1 each	197,000	197,000	197,000	197,000
'A' Ordinary shares of £1 each	67,000	67,000	67,000	67,000
	£264,000	£264,000	£264,000	£264,000

PRP Optoelectronics Limited

Notes to the Abbreviated Accounts

Year ended 30 September 2004

3. Share capital *(continued)*

The 'A' ordinary shares have the following rights over ordinary shares:

- 'A' ordinary shares have the right to a cumulative preferential net cash dividend at 5.5% of the net profit unless this results in a lower dividend per share than that of the ordinary shares in which case the dividend per share for the 'A' ordinary is the same as that for the ordinary shares.

- On return of capital on winding up the 'A' ordinary shares will be paid the sum of £1 per share together with a sum equal to any arrears, deficiency or accruals of the dividends on the 'A' ordinary shares calculated down to the date of the return of the capital. Any balance following payment of £1 per all ordinary shares will be payable to both classes of ordinary share as if they were all shares of the same class.

All shares in issue will have one vote for every £1 in nominal amount of shares in the capital of the Company of which they are the holder.

The holders of the 'A' ordinary shares may at any time convert the whole of their 'A' ordinary shares into a like number of ordinary shares. There are no dividends in arrears.