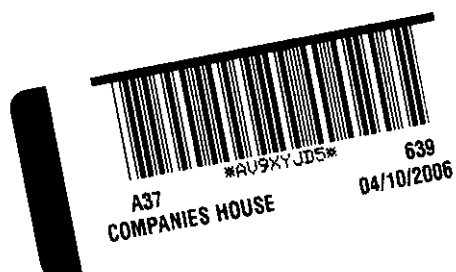


**Report of the Directors and
Financial Statements for the Year Ended 31st December 2005
For
Assembly Solutions (UK) Limited**



Assembly Solutions (UK) Limited

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

Directors: M T Davis
Mrs L S Davis

Secretary: Mrs L S Davis

Registered Office: Unit 18
Blackhorse Road
Letchworth
Herts
SG6 1HB

Registered Number: 3303637 (England and Wales)

Accountants: Sterlings Certified Practising Accountants
Unit 11 Bennell Court
West Street
Comberton
Cambridge
CB3 7DS

Assembly Solutions (UK) Limited

**Contents of the Financial Statements
for the Year Ended 31st December 2005**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	6
Report of the Accountants	9
Trading and Profit and Loss Account	10

Assembly Solutions (UK) Limited

**Report of the Directors
For the Year Ended 31st December 2005**

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

PRINCIPLE ACTIVITY

The principle activity of the company in the year under review was that of the manufacture of electronic assemblies.

DIRECTORS

The directors during the year under review were:

M T Davis
Mrs L S Davis

The beneficial interests of the directors holding office on the 31st December 2005 in the issued share capital of the company were as follows:

Ordinary £1 shares	31.12.05	
01.01.05		
M T Davis	1	1
Mrs L S Davis	1	1

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

ON BEHALF OF THE BOARD;


.....
Director

Date: 25/09/2006

Assembly Solutions (UK) Limited

**Report of the Accountants to the Directors of
Assembly Solutions (UK) Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31st December 2005 set out on pages three to eight and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Sterlings Certified Practising Accountants
Unit 11 Bennell Court
West Street
Comberton
Cambridge
CB3 7DS

Date.....

Assembly Solutions (UK) Limited

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

	Notes	2005 £	2004 £
TURNOVER		305,673	244,396
Cost of sales		<u>156,804</u>	<u>109,497</u>
GROSS PROFIT		148,869	134,899
Distribution costs		2,375	1,104
Administrative expenses		<u>136,001</u>	<u>122,874</u>
		138,376	123,978
OPERATING PROFIT	2	<u>10,493</u>	<u>10,921</u>
Interest payable and similar charges		<u>968</u>	<u>2,113</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9,525	8,808
Tax on profit on ordinary activities	3	<u>0</u>	<u>0</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		9,525	8,808
Retained profit brought forward		<u>9,665</u>	<u>857</u>
RETAINED PROFIT CARRIED FORWARD		<u>£19,190</u>	<u>£9,665</u>

Assembly Solutions (UK) Limited

Balance Sheet

For the Year ended 31 December 2005

	Notes	£	2005 £	2004 £
FIXED ASSETS				
Tangible assets	4		22,497	30,089
CURRENT ASSETS				
Stocks		6,910		6,350
Debtors		12,361		10,362
Bank		2,986		4,742
Cash in hand	5	89		64
		<u>22,346</u>		<u>21,518</u>
CREDITORS: Amounts falling due within one year	6	<u>25,651</u>		<u>41,940</u>
NET CURRENT LIABILITIES			<u>-3,305</u>	<u>-20,422</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			19,192	9,667
			<u>19,192</u>	<u>9,667</u>
CAPITAL AND RESERVES				
Called up share capital			2	2
Profit and loss account	8		<u>19,190</u>	<u>9,665</u>
SHAREHOLDERS FUNDS			<u>£19,192</u>	<u>£9,667</u>

The company is entitled to exemption from audit under section 249A(1) of the Companies Act 1985 for the year ended 31st December 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 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 each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002)

ON BEHALF OF THE BOARD:

Director

Date 25/09/2006

Assembly Solutions (UK) Limited

Notes to the Financial Statements for the Year Ended 31st December 2005

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	(25)% on reducing balance
Fixtures and fittings	(20)% on reducing balance
Motor vehicles	(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 tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2 OPERATING PROFIT/(LOSS)

The operating profit (2002 - operating loss) is stated after charging:

	2005	2004
	£	£
Depreciation - owned assets	7,492	10,144
Pension costs	<u>12,000</u>	<u>12,000</u>
Directors' emoluments and other benefits etc	<u>51,000</u>	<u>46,000</u>

3 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:	0	0
UK corporation tax	<u>0</u>	<u>0</u>
Tax on profit/(loss) on ordinary activities	<u>0</u>	<u>0</u>

Assembly Solutions (UK) Limited

Notes to the Financial Statements for the Year Ended 31st December 2005

4 TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and Fittings	Motor Vehicles	Totals
COST	£	£	£	£
At 1 January 2005 and 31 December 2005	<u>201,882</u>	<u>1,033</u>	<u>8,120</u>	<u>211,035</u>
DEPRECIATION				
At 1 January 2005	173,453	679	6,914	180,946
Charge for year	<u>7,104</u>	<u>88</u>	<u>300</u>	<u>7,492</u>
At 31 December 2005	<u>180,557</u>	<u>767</u>	<u>7,214</u>	<u>188,538</u>
NET BOOK VALUE				
At 31 December 2005	<u>21,325</u>	<u>266</u>	<u>906</u>	<u>22,497</u>
At 31 December 2004	<u>28,429</u>	<u>454</u>	<u>1,206</u>	<u>30,089</u>

5 DEBTORS: AMMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Trade debtors	12,361	10,362
	<u>12,361</u>	<u>10,362</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Bank loans and overdrafts	0	0
Trade creditors	7,536	9,362
Directors current accounts	7,978	18,881
Taxation	10,137	11,017
Other creditors	<u>0</u>	<u>2,680</u>
	<u>25,651</u>	<u>41,940</u>

Assembly Solutions (UK) Limited

**Trading & Profit & Loss Account
For the Year Ended 31 December 2005**

	<u>2005</u>	<u>2004</u>
	£	£
Sales	305,673	244,396
Cost of sales:		
Opening stock	6,350	6,800
Purchases	115,221	69,979
Wages	38,283	33,176
Machinery Maintenance	731	3,245
Social security	3,129	2,647
	<u>163,714</u>	<u>115,847</u>
Closing stock	<u>-6,910</u>	<u>-6,350</u>
	<u>156,804</u>	<u>109,497</u>
Gross Profit	<u>148,869</u>	<u>134,899</u>
 Expenditure		
Directors' remuneration	51,000	50,000
Social security	6,003	5,291
Pension contributions	12,000	12,000
Carriage	2,375	1,104
Telephone	2,069	1,663
Postage, printing, stationery & Advertising	5,631	1,147
Motor expenses	3,086	2,911
Repairs & renewals	2,563	1,965
Sundry expenses	368	1,127
Accountancy	3,600	3,600
Subscriptions	715	715
Website design	523	437
Rent, rates & services	24,709	21,033
Insurance	889	1,547
Consultancy	1,449	0
Exhibition costs	2,962	0
Computer costs	1,443	0
Vehicle leasing	1,337	0
	<u>122,722</u>	<u>104,540</u>
 Carried forward	26,147	30,359

Assembly Solutions (UK) Limited

**Trading & Profit & Loss Account
For the Year Ended 31 December 2005**

	<u>2005</u>	<u>2004</u>
Brought forward	26,147	30,359
Finance costs		
Interest	0	1,141
Finance Charges	0	972
Bank charges and interest	968	1,275
Factoring costs	<u>8,162</u>	<u>8,019</u>
	9,130	11,407
	<u>17,017</u>	<u>18,952</u>
Depreciation:		
Plant & machinery	7,104	9,672
Fixtures & fittings	88	88
Motor vehicles	<u>300</u>	<u>384</u>
	7,492	10,144
NET PROFIT	<u><u>9,525</u></u>	<u><u>8,808</u></u>