

1950534

P K ELECTRONIC INTERNATIONAL LIMITED

DIRECTORS' REPORT  
AND FINANCIAL STATEMENTS

for the year ended 31st December, 1991

**W.A. SAGGERS & CO**

*Chartered Accountants*

74A, HEATH ROAD,  
TWICKENHAM, TW1 4BW

TELEPHONE: 081-891 2233



P K ELECTRONIC INTERNATIONAL LIMITED

DIRECTORS REPORT

FOR THE YEAR ENDED 31st DECEMBER 1991

FINANCIAL STATEMENTS

The Directors present their report and financial statements for the year ended 31 December 1991.

PRINCIPAL ACTIVITIES

The principal activity of this company is the sale of sophisticated electronic security systems to governments and other organisations throughout the world.

DIVIDENDS

The Director does not recommend payment of a dividend for the year ended 31st December 1991, due to there being a loss of £144,053 for the year.

FIXED ASSETS

Changes in fixed assets are shown in note 4 to the financial statements.

TAX STATUS

In the opinion of the Director the company is a close company within the meaning of Section 414 Income and Corporation Taxes Act 1988.

DIRECTORS

The members of the Board who served throughout the year and their interests in the share capital of the company were:

	<u>Ordinary shares</u>	
	<u>1990</u>	<u>1991</u>
D A Myers	1	1

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that W A Siggers & Co be reappointed as Auditors of the Company will be put to the Annual General Meeting.



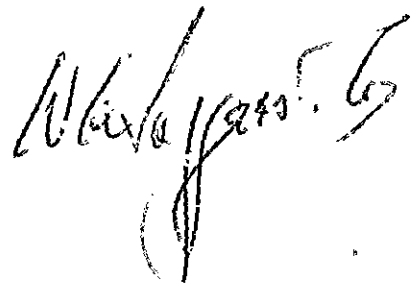
Secretary

AUDITORS REPORT

TO THE MEMBERS OF P K ELECTRONIC INTERNATIONAL LIMITED

We have audited the attached financial statements in accordance with the approved Auditing Standards.

In our opinion the financial statements which have been prepared under the historical cost convention give a true and fair view of the Company's affairs as at 31 December 1991 and comply with the Companies Act 1985.



W A SAGGERS & CO  
74a Heath Road  
Twickenham  
Middlesex  
TW1 4BW

Chartered Accountants  
Registered Auditor

P K ELECTRONIC INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT  
for the year ended 31st December 1991

	<u>Notes</u>	<u>1990</u>	<u>1991</u>
Turnover		4,360,717	367,417
Cost of Sales		(3,121,687)	261,685
		<hr/>	<hr/>
GROSS PROFIT		1,239,030	105,732
Distribution costs and Administrative expenses		(340,443)	(395,839)
Interest payable and similar charges		(14,566)	(10,101)
Other interest receivable and similar charges		31,156	109,405
		<hr/>	<hr/>
(Loss) Profit on ordinary activities before taxation and exceptional items	2	915,157	(190,803)
Tax on (Loss)/profit on ordinary activities	3	(46,750)	46,750
		<hr/>	<hr/>
(Loss)/profit for the financial year	11	£868,407	£(144,053)
		<hr/>	<hr/>

P K ELECTRONIC INTERNATIONAL LIMITED

BALANCE SHEET

as at 31st December 1991

	<u>Notes</u>	<u>1990</u>	<u>1991</u>
<u>TANGIBLE FIXED ASSETS</u>	4	19,276	
<u>CURRENT ASSETS</u>			37,930
Stocks		3,456	35,000
Debtors	5	326,004	296,364
Cash at Bank and in Hand		234,995	107,421
		<hr/>	<hr/>
		564,455	438,785
CREDITORS: amounts falling due within one year	6	(476,416)	(143,003)
		<hr/>	<hr/>
Net Current (Liabilities) /Assets		88,039	295,782
Total Assets less Current Liabilities		<hr/>	<hr/>
		107,315	333,712
CREDITORS: amounts falling due after more than one year	7	-	(370,450)
		<hr/>	<hr/>
Net Liabilities		£107,315	£(36,738)
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Called-up share capital	9	100	100
Profit and loss account	10	107,215	(36,838)
		<hr/>	<hr/>
		£107,315	£(36,738)
		<hr/>	<hr/>

The financial statements on pages 3 to 8 were approved by the Board on

*D. Myers*

} Directors

*[Signature]*

X

P K ELECTRONIC INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 1991

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, on a going concern basis.

(b) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is charged on the reducing instalment basis:

Office equipment	-	15%
Office furniture	-	15%
Motor vehicles	-	25%

(c) Stock

Stock is valued at the lower of cost and net realisable value.

(d) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the transaction date. All differences are taken to the profit and loss account.

(e) Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

2. PROFIT ON ORDINARY ACTIVITIES  
BEFORE TAXATION AND EXCEPTIONAL ITEMS  
is stated after charging:

	<u>1990</u>	<u>1991</u>
	£	£
Depreciation	6,425	7,751
Auditors' remuneration	21,290	3,500
Directors' remuneration	47,567	29,864
Losses on exchange	-	6,003
	<u>          </u>	<u>          </u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

UK Corporation Tax	£ 46,750	£(46,750)
	<u>          </u>	<u>          </u>

P K ELECTRONIC INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 1991 (continued)

4. <u>TANGIBLE FIXED ASSETS</u>	<u>Office furniture</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
Cost				
1 January 1991	3,878	31,873	11,994	47,745
Additions	24,533	1,872	-	26,405
	<hr/>			
31 December 1991	28,411	33,745	11,994	74,150
	<hr/>			
Depreciation				
1 January 1991	2,448	23,023	2,998	28,469
Charge for the year	3,894	1,608	2,249	7,751
	<hr/>			
31 December 1991	6,342	24,631	5,247	36,220
	<hr/>			
Net book value				
31 December 1991	22,069	9,114	6,747	37,930
	<hr/>			
31 December 1990	1,430	8,850	8,996	19,276
	<hr/>			

5. <u>Debtors</u>	<u>1990</u>	<u>1991</u>
Trade debtors	157,052	155
Amounts owed by group companies	-	56,810
Amounts owed by related companies	150,845	208,646
Other debtors	18,107	21,489
Prepayments and accrued income	-	9,264
	<hr/>	
	£326,004	£296,364
	<hr/>	

6. <u>CREDITORS: amounts falling due within one year</u>		
Bank loans and overdrafts	55,646	-
Trade creditors	431	72,283
Other creditors including taxation and social security	88,765	19,340
Accruals and deferred income	308,950	-
Amounts owed to group companies	22,624	51,380
Amounts owed to holding company	-	-
	<hr/>	
	£476,416	£143,003
	<hr/>	

P K ELECTRONIC INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 1991 (continued)

7.	<u>CREDITORS:</u> amounts falling due after more than one year	<u>1990</u>	<u>1991</u>
	Amounts owing to the holding company	£ -	£370,450
		<u>          </u>	<u>          </u>
8.	<u>INFORMATION REGARDING DIRECTORS</u>		
	The remuneration paid to the company directors who held office during the year amounted to:		
	Remuneration as executives (managing director)		29,864
			<u>          </u>
			£29,864
			<u>          </u>
9.	<u>SHARE CAPITAL</u>		
	Authorised, allotted, issued and fully paid Ordinary shares of £1 each	£100	£100
		<u>          </u>	<u>          </u>
10.	<u>PROFIT AND LOSS ACCOUNT</u>		
	Surplus at 1 January 1991		107,215
	Profit (Loss) for the year after taxation		(144,053)
			<u>          </u>
	Balance at 31 December 1991		£(36,838)
			<u>          </u>
11.	<u>EMPLOYEES</u>		
	The average number of persons employed during the year was 2.		
	Their total remuneration (excluding directors) was:		
	Salaries paid		29,690
	Social security costs		8,996
			<u>          </u>
			£38,686
			<u>          </u>
12.	<u>ULTIMATE PARENT COMPANY</u>		
	MIL Electronic Company Establishment, incorporated in Liechtenstein, is regarded by the Directors as being the company's ultimate parent company.		