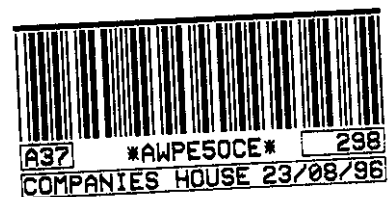


**TELEMETRIX SECURITIES LIMITED**

**(Registered Number 2763030)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 1995**



# TELEMETRIX SECURITIES LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1995

The directors submit their annual report and the audited accounts for the year ended 31 December 1995.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company.

The activities of the principal subsidiaries are the design, manufacture and supply of specialised electronic components to the international telecommunications industries. A review of the activities and the results of the principal subsidiary companies may be found in the accounts of Telemetrix PLC, the Company's ultimate holding company.

### RESULT FOR THE YEAR AND DIVIDENDS

During the year, the Company had dividend income of £1,265,000 (1994 - £750,000).

During the year, the directors declared a dividend of £1,265,000 (1994 - £750,000).

### DIRECTORS

The directors of the company during the period were:

T M Curtis  
B D Rattray

### DIRECTORS' INTERESTS

None of the directors had any beneficial interests in the shares of the company during the year. Interests in other group companies may be found in the accounts of Telemetrix PLC.

### DIRECTORS' LIABILITY INSURANCE

During the year the company maintained directors' liability insurance for its directors.

### AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office and a resolution proposing their re-appointment will be proposed at the forthcoming Annual General Meeting.

### BY ORDER OF THE BOARD

  
L SHARP  
SECRETARY

31 JULY 1996

## **AUDITORS' REPORT TO THE MEMBERS OF TELEMETRIX SECURITIES LIMITED**

We have audited the financial statements on pages 3 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

### **Respective responsibilities of directors and auditors**

As described below, 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 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.

### **Opinion**

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 31 December 1995 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors  
Windsor

31 JULY 1996

## **DIRECTORS' RESPONSIBILITIES**

The directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year to that date. The financial statements must be prepared in compliance with the required formats and disclosures of the Companies Act 1985 and with applicable accounting standards. In addition the directors are required:

- to select suitable accounting policies and then apply them consistently,
- to make judgements and estimates that are reasonable and prudent,
- to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business.

The directors confirm that the financial statements comply with the above requirements.

The directors are also responsible for maintaining adequate accounting records so as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

# TELEMETRIX SECURITIES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1995

	<u>1995</u> £'000	<u>1994</u> £'000
Income from shares in group undertakings	1,265	750
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION</b>	<u>1,265</u>	<u>750</u>
Dividend proposed	(1,265)	(750)
<b>RETAINED PROFIT FOR THE YEAR</b>	<u><u>-</u></u>	<u><u>-</u></u>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than its profit for the financial year of £1,265,000 (1994 - £750,000).

The notes on page 5 form part of these financial statements.

**TELEMETRIX SECURITIES LIMITED****BALANCE SHEET - 31 DECEMBER 1995**

	<u>1995</u> £ 000	<u>1994</u> £ 000
<b>FIXED ASSETS</b>		
Investments (note 3)	6,800	6,800
	<u>6,800</u>	<u>6,800</u>
<b>DEBTORS</b>		
Amounts owed by subsidiary undertakings	1,265	50
<b>CREDITORS - Amounts falling due within one year</b>		
Amounts owed to parent undertaking	(8,065)	(6,850)
<b>NET CURRENT LIABILITIES</b>	<u>(6,800)</u>	<u>(6,800)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>-</u>	<u>-</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital (note 4)	-	-
<b>SHAREHOLDERS' FUNDS</b>	<u>-</u>	<u>-</u>

The notes on page 5 form part of these financial statements.

APPROVED BY THE BOARD ON 31 JULY 1996



.....  
B D RATTRAY  
DIRECTOR

# TELEMETRIX SECURITIES LIMITED

## NOTES TO THE ACCOUNTS - 31 DECEMBER 1995

### 1 ACCOUNTING POLICIES

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. Consolidated accounts have not been prepared since the Company is a wholly-owned subsidiary of another company incorporated in Great Britain.

#### Investments

Investments are valued at the lower of cost and market value.

### 2 PROFIT AND LOSS ACCOUNT

The company has no employees (1994 - nil) and the directors received no remuneration for their services to the company (1994 - £nil). The auditors remuneration was borne by the ultimate parent undertaking.

### 3 INVESTMENTS

£ 000

At 1 January 1995 and 31 December 1995

6,800

The subsidiary undertakings at 31 December 1995 were:

Zetex plc

Manufacture and supply of specialised electronic components

Component Trading Ltd

Procurement of electronic components

The companies operate and are incorporated in England. 100% of the ordinary share capital of each of the companies are held.

### 4 CALLED UP SHARE CAPITAL

No.

Authorised, issued and fully paid up shares of £1 each

100

### 5 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Telemetrix PLC, a Company listed on the London Stock Exchange. Telemetrix PLC heads the only group into which the results of the company are consolidated. Telemetrix PLC is registered in England and Wales and copies of the group accounts may be obtained from the company's registered office:-

Knaves Beech Estate  
Loudwater  
High Wycombe  
Buckinghamshire  
HP10 9QZ