

Company Registration No. 2713611

**FIBROPTIC INDUSTRY ASSOCIATION
LIMITED
(Company limited by guarantee)**

Report and Financial Statements

31 August 2005

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2005

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Income and expenditure account	5
Balance sheet	6
Notes to the financial statements	7

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2005

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M J Phillips
P J Thompsett
P F Bateson
M C Gilmore
J R Colton
L Funnell
P Lythgoe
S D G Hogg

SECRETARY

J E Morrison

REGISTERED OFFICE

The Manor House
Buntingford
Hertfordshire
SG9 9AB

BANKERS

HSBC Bank Plc
1 Prospect Place
Darlington
County Durham
DL3 7LQ

AUDITORS

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Leeds

FIBROPTIC INDUSTRY ASSOCIATION LIMITED

(Company limited by guarantee)

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 August 2005.

DIRECTORS' REPORT - ACCOUNTS FOR MEMBERS

This report has been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

ACTIVITIES

The company's principal activity is the promotion of co-operation between members of the association engaged in the UK as manufacturers, traders, servicing agents, distributors and consultants in respect of Fibreoptic products.

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1.

The directors who served during the year, were as follows:

M J Phillips	
P J Thompsett	
P F Bateson	
M C Gilmore	
J R Colton	
L Funnell	
P Lythgoe	
N D Channon	(appointed 9 December 2004, resigned 10 May 2005)
S D Hogg	(appointed 9 December 2004)

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

J E Morrison
Secretary

FIBROPTIC INDUSTRY ASSOCIATION LIMITED

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year 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; and
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIBROPTIC INDUSTRY ASSOCIATION LIMITED (COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements of Fibreoptic Industry Association Limited (Company Limited By Guarantee) for the year ended 31 August 2005, which comprise the income and expenditure account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 state of the company's affairs as at 31 August 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Chartered Accountants and Registered Auditors

Leeds

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT
Year ended 31 August 2005

	Note	2005	2004
		£	£
INCOME:			
Members' fees			
Renewals		53,375	53,700
New members		5,225	8,450
Overseas		1,450	2,050
Code of practice and seminars		570	3,815
Internet project revenue		4,615	5,035
Other income		1,390	1,421
		66,625	74,471
ADMINISTRATIVE EXPENSES			
Secretariat fee		(18,845)	(18,525)
Printing, stationery and telephone		(1,910)	(3,323)
Accountancy, bookkeeping and legal fees		(6,968)	(6,788)
Audit		(1,340)	(1,300)
Other expenses		(33,288)	(42,671)
Advertising and promotion		(2,423)	(11,768)
		(64,774)	(84,375)
OPERATING SURPLUS/(DEFICIT)	4	1,851	(9,904)
Interest receivable and similar income	5	141	246
RETAINED SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		1,992	(9,658)
Retained reserves brought forward		18,087	27,745
Retained reserves carried forward		20,079	18,087

All activities derive from continuing operations.

There are no recognised gains and losses for the current and preceding financial years other than the surplus of £1,992 (2004 - deficit of £9,658) shown above. Accordingly, no statement of total recognised gains and losses has been presented.

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
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BALANCE SHEET
31 August 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible assets	7	564	1,192
CURRENT ASSETS			
Debtors	8	12,756	14,758
Cash at bank and in hand		14,568	8,970
		<u>27,324</u>	<u>23,728</u>
CREDITORS: amounts falling due within one year	9	(7,809)	(6,833)
		<u>19,515</u>	<u>16,895</u>
NET CURRENT ASSETS		<u>19,515</u>	<u>16,895</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,079</u>	<u>18,087</u>
RESERVES			
Income and expenditure account		20,079	18,087
TOTAL EQUITY SHAREHOLDERS' FUNDS	10	<u>20,079</u>	<u>18,087</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

These financial statements were approved by the Board of Directors on .

Signed on behalf of the Board of Directors

M J Phillips
 Director

FIBROPTIC INDUSTRY ASSOCIATION LIMITED

(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 August 2005

1 ACCOUNTING POLICIES

As described by section 226 of the Companies Act 1985, in order to give a true and fair view, the income and expenditure account is not prepared in accordance with Schedule 4 of the Companies Act 1985. This is prepared in a different format to give a better understanding of the entity to the reader and to reflect the special nature of the company's operations.

Except for the above, the financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies are described below and have been applied consistently throughout the current and preceding year.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Membership fees

Membership fees are accounted for in full in the period in which they fall due for payment.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rate of depreciation is as follows:

Fixtures and fittings	25% per annum
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Taxation

Current tax, including UK corporation, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax, in the the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or sunstantively enacted by the balance sheet date.

Deferred tax is measured on a non discounted basis.

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2005

2 INCOME

Income represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

All income is attributable to the promotion of co-operation between members of the association engaged in the UK as manufacturers, traders, servicing agents, distributors and consultants in respect of Fibreoptic products.

3 INFORMATION REGARDING DIRECTORS

No director received any emoluments in the two years ended 31 August 2005 and 31 August 2004.

4 OPERATING SURPLUS/(DEFICIT)

	2005	2004
	£	£
Operating surplus/(deficit) is after charging:		
Depreciation		
Owned assets	1,120	997
Auditors' remuneration	1,340	1,300
	1,340	1,300

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2005	2004
	£	£
Bank interest	141	246
	141	246

6 TAX ON SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES

Tax charge for the year

	2005	2004
	£	£
<i>Current taxation</i>		
United Kingdom corporation tax	-	-
	-	-

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2005

6 TAX ON SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES (CONTINUED)

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 19%. The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following tax reconciliation:

Reconciliation of current tax

	2005	2004
	£	£
Surplus/(deficit) on ordinary activities before taxation	1,992	(9,658)
	<u>1,992</u>	<u>(9,658)</u>
Tax on surplus/(deficit) on ordinary activities at standard rate	378	(1,835)
<i>Factors affecting charge for the year:</i>		
Capital allowances for period in excess of depreciation.	64	39
Unutilised losses	(416)	1,796
Small company relief	(26)	-
	<u>(416)</u>	<u>1,796</u>
Total actual amount of current tax	<u>-</u>	<u>-</u>

A deferred tax asset has not been recognised in respect of timing differences relating to surplus losses as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £2,200 (2004: £2,600).

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(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2005

7 TANGIBLE FIXED ASSETS

	Fixtures and fittings £
Cost	
At 1 September 2004	6,290
Additions in year	492
	6,782
At 31 August 2005	6,782
Accumulated depreciation	
At 1 September 2004	5,098
Charge in year	1,120
	6,218
At 31 August 2005	6,218
Net book value	
At 31 August 2005	564
At 31 August 2004	1,192

8 DEBTORS

	2005 £	2004 £
Trade debtors	12,476	14,478
Other debtors	280	280
	12,756	14,758
	12,756	14,758

All amounts are due within one year.

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 August 2005

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Trade creditors	4,615	3,239
Other creditors	2,000	1,951
Other taxes and social security	1,194	1,643
	<u>7,809</u>	<u>6,833</u>
	<u><u>7,809</u></u>	<u><u>6,833</u></u>

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004
	£	£
Surplus/(deficit) attributable to members of the company	1,992	(9,658)
Opening shareholders' funds	18,087	27,745
	<u>20,079</u>	<u>18,087</u>
	<u><u>20,079</u></u>	<u><u>18,087</u></u>

11 STATUS OF COMPANY

At 31 August 2005, there were 194 members of the company. The liability of the members is limited and each has undertaken to contribute a sum not exceeding £25 in the event of the winding up of the company.

12 TRANSACTION WITH DIRECTORS

During the year, the company reimbursed meeting expenses to The Cabling Partnership, a business in which a director of this company (M C Gilmore) is a partner. The amount reimbursed totalled £23,768 (2004: £26,950) and was transacted on an arm's length basis. Of this amount, £2,059 (2004: £892) was outstanding at the year end.