

Company Registration No. 2713611

**FIBROPTIC INDUSTRY ASSOCIATION
LIMITED**

(Company limited by guarantee)

Report and Financial Statements

31 August 2000

**Deloitte & Touche
10-12 East Parade
Leeds
LS1 2AJ**

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2000

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FIBROPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS 2000

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M J Phillips
P J Thompsett
A R Watson
P F Bateson
S E Strange
M C Gilmore

SECRETARY

Lady H M W Long

REGISTERED OFFICE

Owles Lane
Buntingford
Hertfordshire
SG9 9PL

BANKERS

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

AUDITORS

Deloitte & Touche
Chartered Accountants
10-12 East Parade
Leeds
LS1 2AJ

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 August 2000.

ACTIVITIES

The principal activity of the company 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.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

Details of the results for the year are set out on page 5. The surplus has been transferred to reserves.

The directors consider the state of the company's affairs to be satisfactory and expect this to continue in future periods.

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
G Kibblewhite (resigned 31 December 1999)
P J Thompsett
A R Watson
P F Bateson
A Laurent (resigned 20 April 2000)
A J Richards (resigned 2 December 1999)
S E Strange
M C Gilmore (appointed 26 January 2000)

AUDITORS

Deloitte & Touche 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.

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

FIBROPTIC INDUSTRY ASSOCIATION LIMITED
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DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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.

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

Lady H M W Long
Secretary

AUDITORS' REPORT TO THE MEMBERS OF

FIBROPTIC INDUSTRY ASSOCIATION LIMITED (Company limited by guarantee)

We have audited the financial statements on pages 5 to 8 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements, which are prepared in accordance with applicable United Kingdom law and accounting standards. 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 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 2000 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants
and Registered Auditors

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT
Year ended 31 August 2000

| | Note | 2000 | 1999 |
|---|------|---------------|----------------|
| | | £ | £ |
| INCOME: continuing operations | | | |
| Members' fees | | | |
| Renewals | | 45,900 | 43,600 |
| New members | | 7,575 | 9,110 |
| Overseas | | 2,500 | 2,500 |
| Code of practice and seminars | | 4,380 | 3,114 |
| Buyer's guide advertising | | 5,600 | 3,300 |
| Dinners | | 1,425 | 2,171 |
| Internet project sponsorship | | - | 9,972 |
| DTI funding | | - | 7,163 |
| Internet project revenue | | 3,585 | 2,230 |
| E.L.C.I.S. Project | | - | 16,120 |
| Other | | 1,391 | 2,073 |
| | | <u>72,356</u> | <u>101,353</u> |
| ADMINISTRATIVE EXPENSES | | | |
| Secretariat fees | | 16,494 | 15,896 |
| Professional management fees | | 4,000 | 12,000 |
| Postage, stationery and telephone | | 5,048 | 7,549 |
| Advertising and promotion | | 13,313 | 20,906 |
| Accountancy, book-keeping and legal fees | | 4,612 | 4,790 |
| Audit fee | | 1,100 | 1,050 |
| Exhibitions | | 156 | 518 |
| Other expenses | | 14,673 | 11,558 |
| TANC Internet project | | - | 17,885 |
| E.L.C.I.S. Project | | 750 | 16,120 |
| RQD Project | | 1,850 | 2,088 |
| | | <u>61,996</u> | <u>110,360</u> |
| OPERATING SURPLUS/(DEFICIT): | | | |
| continuing operations | | 10,360 | (9,007) |
| Bank interest received | | 160 | 392 |
| Surplus/(deficit) on ordinary activities for the year before taxation | | 10,520 | (8,615) |
| Tax on surplus/(deficit) for the year | 5 | 402 | 45 |
| Surplus/(deficit) for the year transferred to reserves | 6 | <u>10,118</u> | <u>(8,570)</u> |

There are no further recognised gains or losses for the current and prior years other than as stated above.

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
(Company limited by guarantee)

BALANCE SHEET
31 August 2000

| | Note | £ | 2000 £ | £ | 1999 £ |
|---|------|---------------|---------------|---------------|---------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 2 | | 769 | | 1,552 |
| CURRENT ASSETS | | | | | |
| Debtors | 3 | 9,224 | | 22,325 | |
| Cash at bank and in hand | | 19,442 | | 8,841 | |
| | | <u>28,666</u> | | <u>31,166</u> | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 4 | <u>7,199</u> | | <u>20,600</u> | |
| NET CURRENT ASSETS | | | <u>21,467</u> | | <u>10,566</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>22,236</u> | | <u>12,118</u> |
| CAPITAL AND RESERVES | | | | | |
| Income and expenditure account | 6 | | <u>22,236</u> | | <u>12,118</u> |

These financial statements have been prepared in accordance with the 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

FIBREOPTIC INDUSTRY ASSOCIATION LIMITED
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NOTES TO THE ACCOUNTS
Year ended 31 August 2000

3. DEBTORS

| | 2000 | 1999 |
|---------------|--------------|---------------|
| | £ | £ |
| Trade debtors | 9,184 | 20,901 |
| Other debtors | 40 | 1,424 |
| | <u>9,224</u> | <u>22,325</u> |

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2000 | 1999 |
|------------------------------|--------------|---------------|
| | £ | £ |
| Trade creditors | 5,147 | 17,600 |
| Other creditors and accruals | 2,052 | 3,000 |
| | <u>7,199</u> | <u>20,600</u> |

5. TAXATION

| | 2000 | 1999 |
|--|-------------|-------------|
| | £ | £ |
| UK corporation tax charged at the small companies rate | 402 | 45 |
| | <u>402</u> | <u>45</u> |

The tax charge was disproportionate for the year due to utilisation of tax losses brought forward.

6. COMBINED RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS AND STATEMENT OF MOVEMENT ON RESERVES

| | 2000 | 1999 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Balance at 1 September 1999 | 12,118 | 20,688 |
| Surplus/(deficit) for the year | 10,118 | (8,570) |
| | <u>22,236</u> | <u>12,118</u> |

7. TRANSACTIONS WITH DIRECTORS

The directors of the company, with the exception of G Kibblewhite, are associated with business entities which subscribe to the normal membership fees of the association.

G Kibblewhite, who resigned on 31 December 1999, charged £4,000 (1999: £12,000) to the company as management fees, £nil (1999: £1,010) was outstanding from the company at the balance sheet date. This was conducted on an arm's length basis.

8. STATUS OF COMPANY

At 31 August 2000 there were 200 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.