

**Company Registration No. 2713611**

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

**Report and Financial Statements**

**31 August 2003**

**Deloitte & Touche LLP  
Leeds**

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

**REPORT AND FINANCIAL STATEMENTS 2003**

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

**REPORT AND FINANCIAL STATEMENTS 2003**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

M J Phillips  
P J Thompsett  
P F Bateson  
M C Gilmore  
J Cupitt  
J R Colton  
D Carswell  
A Buckingham

**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  
Leeds

# **FIBROPTIC 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 2003.

### **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 |                              |
| A R Watson    | (resigned 2 December 2002)   |
| P F Bateson   |                              |
| S E Strange   | (resigned 11 July 2003)      |
| M C Gilmore   |                              |
| J Cupitt      |                              |
| S Smith       | (resigned 2 December 2002)   |
| J R Colton    | (appointed 12 December 2002) |
| D Carswell    | (appointed 12 December 2002) |
| A Buckingham  | (appointed 12 December 2002) |

### **AUDITORS**

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP as the Company's auditors 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**

## **(Company limited by guarantee)**

### **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 2003, 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 2003 and of its deficit 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 2003**

|   | Note | 2003<br>£ | 2002<br>£ |
|---|------|-----------|-----------|
| <b>INCOME: continuing operations</b>                            |      |           |           |
| Members' fees   |      |           |           |
| Renewals  |      | 47,450    | 48,474    |
| New members   |      | 8,100     | 7,100     |
| Overseas  |      | 1,250     | 826       |
| Code of practice and seminars                                   |      | 1,419     | 4,721     |
| Buyer's guide advertising                                       |      | -         | 5,500     |
| Internet project revenue  |      | 525       | 1,300     |
| Other income  |      | 1,168     | 1,757     |
|   |      | 59,912    | 69,678    |
| <b>ADMINISTRATIVE EXPENSES</b>                                  |      |           |           |
| Secretariat fee   |      | (17,937)  | (17,083)  |
| Printing, stationery and telephone                              |      | (2,696)   | (3,779)   |
| Accountancy, bookkeeping and legal fees                         |      | (6,395)   | (6,203)   |
| Audit   |      | (1,250)   | (1,200)   |
| Other expenses  |      | (31,965)  | (23,396)  |
| Advertising and promotion                                       |      | (4,477)   | (17,279)  |
|   |      | (64,720)  | (68,940)  |
| <b>OPERATING (DEFICIT)/SURPLUS: continuing operations</b>       | 4    | (4,808)   | 738       |
| Interest receivable and similar income                          | 5    | 182       | 213       |
|   |      | (4,626)   | 951       |
| <b>(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | (4,626)   | 951       |
| Tax on (deficit)/surplus on ordinary activities                 | 6    | -         | (7)       |
|   |      | (4,626)   | 944       |
| <b>RETAINED (DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR</b>        |      | (4,626)   | 944       |
| <b>Retained reserves brought forward</b>                        |      | 32,373    | 31,429    |
| <b>Retained reserves carried forward</b>                        |      | 27,747    | 32,373    |

There are no recognised gains and losses for the current financial year and the preceding financial year other than as stated in the income and expenditure account. Accordingly, no statement of total recognised gains and losses has been prepared.

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

**BALANCE SHEET**  
**31 August 2003**

|   | Note | 2003<br>£            | 2002<br>£            |
|---|------|----------------------|----------------------|
| <b>FIXED ASSETS</b>                                   |      |                      |                      |
| Tangible assets                                       | 7    | 1,802                | 2,772                |
| <b>CURRENT ASSETS</b>                                 |      |                      |                      |
| Debtors   | 8    | 9,124                | 12,134               |
| Cash at bank and in hand                              |      | 22,649               | 28,242               |
|   |      | <u>31,773</u>        | <u>40,376</u>        |
| <b>CREDITORS: amounts falling due within one year</b> | 9    | (5,828)              | (10,775)             |
|   |      | <u>25,945</u>        | <u>29,601</u>        |
| <b>NET CURRENT ASSETS</b>                             |      | <u>27,747</u>        | <u>32,373</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | <u><u>27,747</u></u> | <u><u>32,373</u></u> |
| <b>RESERVES</b>                                       |      |                      |                      |
| Income and expenditure account                        |      | 27,747               | 32,373               |
| <b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>               | 10   | <u><u>27,747</u></u> | <u><u>32,373</u></u> |

These accounts 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

Director



# **FIBREOPTIC INDUSTRY ASSOCIATION LIMITED**

## **(Company limited by guarantee)**

### **NOTES TO THE ACCOUNTS**

#### **Year ended 31 August 2003**

#### **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.

##### **Accounting convention**

The financial statements are prepared under the historical cost convention.

##### **Membership fees**

Membership fees are accounted for 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 |
|-----------------------|---------------|

##### **Deferred taxation**

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

#### **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 2003 and 31 August 2002.

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

**NOTES TO THE ACCOUNTS**  
**Year ended 31 August 2003**

**4 OPERATING (DEFICIT)/SURPLUS**

|   | <b>2003</b>  | <b>2002</b>  |
|---|--------------|--------------|
|   | <b>£</b>     | <b>£</b>     |
| <b>Operating (deficit)/surplus is after charging:</b> |              |              |
| Auditors' remuneration                                | 1,250        | 1,200        |
|   | <u>1,250</u> | <u>1,200</u> |

**5 INTEREST RECEIVABLE AND SIMILAR INCOME**

|               | <b>2003</b> | <b>2002</b> |
|---------------|-------------|-------------|
|               | <b>£</b>    | <b>£</b>    |
| Bank interest | 182         | 213         |
|               | <u>182</u>  | <u>213</u>  |

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

**Tax charge for the year**

|                                | <b>2003</b> | <b>2002</b> |
|--------------------------------|-------------|-------------|
|                                | <b>£</b>    | <b>£</b>    |
| <i>Current taxation</i>        |             |             |
| United Kingdom corporation tax | -           | 7           |
|                                | <u>-</u>    | <u>7</u>    |

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 19% (2002 - 20%). 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**

|  | <b>2003</b>    | <b>2002</b> |
|--|----------------|-------------|
|  | <b>£</b>       | <b>£</b>    |
| (Deficit)/surplus on ordinary activities before taxation         | (4,626)        | 951         |
|  | <u>(4,626)</u> | <u>951</u>  |
| Tax on (deficit)/surplus on ordinary activities at standard rate | (879)          | 190         |
| <i>Factors affecting charge for the year:</i>                    |                |             |
| Marginal relief  | -              | (134)       |
| Capital allowances for period in excess of depreciation.         | 23             | (166)       |
| Other timing differences   | 856            | 117         |
|  | <u>856</u>     | <u>117</u>  |
| Total actual amount of current tax                               | -              | 7           |
|  | <u>-</u>       | <u>7</u>    |

**FIBROPTIC INDUSTRY ASSOCIATION LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 August 2003**

**6 TAX ON (DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES (continued)**

The company has losses of approximately £4,500 to carry forward and offset against future profits from the same trade.

**7 TANGIBLE FIXED ASSETS**

|   | <b>Fixtures and fittings</b><br><b>£</b> |
|---|--|
| <b>Cost</b>                               |  |
| At 1 September 2002 and at 31 August 2003 | 5,901                                    |
| <b>Accumulated depreciation</b>           |  |
| At 1 September 2002                       | 3,129                                    |
| Charge in year                            | 970                                      |
|   | 4,099                                    |
| At 31 August 2003                         | 4,099                                    |
| <b>Net book value</b>                     |  |
| At 31 August 2003                         | 1,802                                    |
| At 31 August 2002                         | 2,772                                    |

**8 DEBTORS**

|               | <b>2003</b><br><b>£</b> | <b>2002</b><br><b>£</b> |
|---------------|-------------------------|-------------------------|
| Trade debtors | 8,844                   | 11,854                  |
| Other debtors | 280                     | 280                     |
|               | 9,124                   | 12,134                  |
|               | 9,124                   | 12,134                  |

All amounts are due within one year.

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

**NOTES TO THE ACCOUNTS**  
**Year ended 31 August 2003**

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | <b>2003</b>         | <b>2002</b>          |
|---------------------------------|---------------------|----------------------|
|                                 | <b>£</b>            | <b>£</b>             |
| Trade creditors                 | 3,219               | 6,897                |
| Other creditors                 | 1,875               | 2,742                |
| Other taxes and social security | 734                 | 1,136                |
|                                 | <u>5,828</u>        | <u>10,775</u>        |
|                                 | <u><u>5,828</u></u> | <u><u>10,775</u></u> |

**10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|  | <b>2003</b>          | <b>2002</b>          |
|--|----------------------|----------------------|
|  | <b>£</b>             | <b>£</b>             |
| (Deficit)/surplus attributable to members of the company | (4,626)              | 944                  |
| Opening shareholders' funds                              | 32,373               | 31,429               |
|  | <u>27,747</u>        | <u>32,373</u>        |
|  | <u><u>27,747</u></u> | <u><u>32,373</u></u> |

**11 STATUS OF COMPANY**

At 31 August 2003, there were 216 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 £25,514 (2002: £23,899) and was transacted on an arm's length basis. Of this amount, £1,265 (2002: £1,654) was outstanding at the year end.