

Company Registration No. 1728913 (England and Wales)

**ORWIN AUTOMATION LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MAY 2001**



# ORWIN AUTOMATION LIMITED

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# ORWIN AUTOMATION LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2001

The directors present their report and financial statements for the year ended 31 May 2001.

### Principal activities and review of the business

The principal activities of the company continued to be the design and construction of special purpose machinery and the manufacture of precision components for the engineering industry.

The directors are disappointed with the results for the year but are aware of the reasons for them and have taken appropriate action to remedy the situation.

### Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

### Directors

The following directors have held office since 1 June 2000:

|               |                                                        |
|---------------|--------------------------------------------------------|
| N.T. Andrews  | (Appointed 6 December 2000 and resigned 30 April 2001) |
| D.R. Wills    | (Appointed 6 December 2000)                            |
| M.J. Whitaker | (Appointed 6 December 2000)                            |
| A D Doran     |                                                        |
| P S Rudd      |                                                        |

### Directors' interests

The directors' interests in the shares of the company were as stated below:

|               | 31 May 2001 | ordinary of £ 1 each<br>1 June 2000 |
|---------------|-------------|-------------------------------------|
| D.R. Wills    | -           | -                                   |
| M.J. Whitaker | -           | -                                   |
| A D Doran     | -           | -                                   |
| P S Rudd      | -           | -                                   |

### Charitable contributions

During the year the company made charitable donations of £250 (2000 : £830).

### Auditors

Larking Gowen were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# ORWIN AUTOMATION LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

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### 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 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.

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.

By order of the board

  
.....  
L. Donald  
**Secretary**  
8 March 2002

# ORWIN AUTOMATION LIMITED

## AUDITORS' REPORT TO ORWIN AUTOMATION LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

LARKING  
GOWEN

We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of the company for the year ended 31 May 2001 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

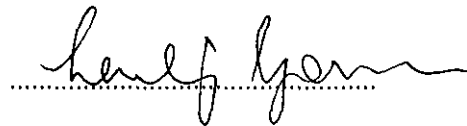
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

### Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with that provision.



Larking Gowen

Chartered Accountants  
Registered Auditors  
Norfolk

14 March 2002

# ORWIN AUTOMATION LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2001

|                                                      | Notes | 2001<br>£   | 2000<br>£ |
|------------------------------------------------------|-------|-------------|-----------|
| Gross (loss)/profit                                  |       | (31,336)    | 774,682   |
| Distribution costs                                   |       | (41,312)    | (35,764)  |
| Administrative expenses                              |       | (857,242)   | (719,140) |
| Operating (loss)/profit                              | 2     | (929,890)   | 19,778    |
| Inter-company loan written off                       | 2     | (377,806)   | -         |
| (Loss)/profit on ordinary activities before interest |       | (1,307,696) | 19,778    |
| Other interest receivable and similar income         |       | 404         | 1,850     |
| Interest payable and similar charges                 | 3     | (95,919)    | (73,790)  |
| Loss on ordinary activities before taxation          |       | (1,403,211) | (52,162)  |
| Tax on loss on ordinary activities                   | 4     | 140,247     | 8,364     |
| Loss on ordinary activities after taxation           |       | (1,262,964) | (43,798)  |
| Dividends                                            | 5     | -           | (5,000)   |
| Retained loss for the year                           | 14    | (1,262,964) | (48,798)  |

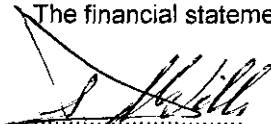
# ORWIN AUTOMATION LIMITED

## ABBREVIATED BALANCE SHEET AS AT 31 MAY 2001

|                                                                | Notes | 2001<br>£          | £                | 2000<br>£          | £              |
|----------------------------------------------------------------|-------|--------------------|------------------|--------------------|----------------|
| <b>Fixed assets</b>                                            |       |                    |                  |                    |                |
| Tangible assets                                                | 6     |                    | 1,033,256        |                    | 1,099,409      |
| <b>Current assets</b>                                          |       |                    |                  |                    |                |
| Stocks                                                         | 7     | 863,051            |                  | 334,092            |                |
| Debtors                                                        | 8     | 591,878            |                  | 1,393,257          |                |
| Cash at bank and in hand                                       |       | 195                |                  | 42,912             |                |
|                                                                |       | <u>1,455,124</u>   |                  | <u>1,770,261</u>   |                |
| <b>Creditors: amounts falling due within one year</b>          | 9     | <u>(1,798,355)</u> |                  | <u>(1,492,661)</u> |                |
| <b>Net current (liabilities)/assets</b>                        |       |                    | <u>(343,231)</u> |                    | <u>277,600</u> |
| <b>Total assets less current liabilities</b>                   |       |                    | 690,025          |                    | 1,377,009      |
| <b>Creditors: amounts falling due after more than one year</b> | 10    |                    | (1,072,468)      |                    | (429,730)      |
| <b>Provisions for liabilities and charges</b>                  | 11    |                    | -                |                    | (66,758)       |
|                                                                |       |                    | <u>(382,443)</u> |                    | <u>880,521</u> |
| <b>Capital and reserves</b>                                    |       |                    |                  |                    |                |
| Called up share capital                                        | 13    |                    | 4,000            |                    | 4,000          |
| Profit and loss account                                        | 14    |                    | <u>(386,443)</u> |                    | <u>876,521</u> |
| <b>Shareholders' funds</b>                                     | 15    |                    | <u>(382,443)</u> |                    | <u>880,521</u> |

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 8 March 2002

  
D.R. Wills  
Director

  
M.J. Whitaker  
Director

# ORWIN AUTOMATION LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2001

|                                                                               | 2001<br>£ | 2000<br>£ |
|-------------------------------------------------------------------------------|-----------|-----------|
| Net cash (outflow)/inflow from operating activities                           | (19,926)  | 114,336   |
| <b>Returns on investments and servicing of finance</b>                        |           |           |
| Interest received                                                             | 404       | 1,582     |
| Interest paid                                                                 | (75,352)  | (73,790)  |
| Net cash outflow for returns on investments and servicing of finance          | (74,948)  | (72,208)  |
| <b>Taxation</b>                                                               | (367)     | (13,112)  |
| <b>Capital expenditure</b>                                                    |           |           |
| Payments to acquire tangible assets                                           | (11,592)  | 1,791     |
| Receipts from sales of tangible assets                                        | -         | 7,800     |
| Net cash (outflow)/inflow for capital expenditure                             | (11,592)  | 9,591     |
| <b>Equity dividends paid</b>                                                  | -         | (5,000)   |
| Net cash (outflow)/inflow before management of liquid resources and financing | (106,833) | 33,607    |
| Inter-company loan written off                                                | (377,806) | -         |
| <b>Financing</b>                                                              |           |           |
| Other new long term loans                                                     | 720,000   | -         |
| Repayment of long term bank loan                                              | (34,781)  | (40,895)  |
| Repayment of other short term loans                                           | (18,170)  | -         |
| Capital element of hire purchase contracts                                    | (106,236) | (125,720) |
| Net cash inflow/(outflow) from financing                                      | 560,813   | (166,615) |
| Increase/(decrease) in cash in the year                                       | 76,174    | (133,008) |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2001

| 1 | Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities | 2001<br>£       | 2000<br>£      |
|---|--------------------------------------------------------------------------------------------------|-----------------|----------------|
|   | Operating (loss)/profit                                                                          | (929,890)       | 19,778         |
|   | Depreciation of tangible assets                                                                  | 102,745         | 107,360        |
|   | Profit on disposal of tangible assets                                                            | -               | (597)          |
|   | (Increase)/decrease in stocks                                                                    | (528,959)       | 66,872         |
|   | Decrease/(increase) in debtors                                                                   | 801,380         | (86,020)       |
|   | Increase in creditors within one year                                                            | 460,943         | 6,943          |
|   | Group relief                                                                                     | 73,855          | -              |
|   | <b>Net cash (outflow)/inflow from operating activities</b>                                       | <b>(19,926)</b> | <b>114,336</b> |

| 2 | Analysis of net debt              | 1 June 2000<br>£ | Cash flow<br>£   | Other non-cash changes<br>£ | 31 May 2001<br>£   |
|---|-----------------------------------|------------------|------------------|-----------------------------|--------------------|
|   | Net cash:                         |                  |                  |                             |                    |
|   | Cash at bank and in hand          | 42,912           | (42,717)         | -                           | 195                |
|   | Bank overdrafts                   | (393,406)        | 118,891          | -                           | (274,515)          |
|   |                                   | <u>(350,494)</u> | <u>76,174</u>    | <u>-</u>                    | <u>(274,320)</u>   |
|   | Debt:                             |                  |                  |                             |                    |
|   | Finance leases                    | (181,957)        | 106,236          | (25,000)                    | (100,721)          |
|   | Debts falling due within one year | (57,120)         | 18,170           | -                           | (38,950)           |
|   | Debts falling due after one year  | (348,060)        | (685,219)        | -                           | (1,033,279)        |
|   |                                   | <u>(587,137)</u> | <u>(560,813)</u> | <u>(25,000)</u>             | <u>(1,172,950)</u> |
|   | <b>Net debt</b>                   | <b>(937,631)</b> | <b>(484,639)</b> | <b>(25,000)</b>             | <b>(1,447,270)</b> |

| 3 | Reconciliation of net cash flow to movement in net debt                    | 2001<br>£          | 2000<br>£        |
|---|----------------------------------------------------------------------------|--------------------|------------------|
|   | Increase/(decrease) in cash in the year                                    | 76,174             | (133,008)        |
|   | Cash (inflow)/outflow from (increase)/decrease in debt and lease financing | (560,813)          | 166,615          |
|   | Change in net debt resulting from cash flows                               | (484,639)          | 33,607           |
|   | New finance lease                                                          | (25,000)           | (72,857)         |
|   | <b>Movement in net debt in the year</b>                                    | <b>(509,639)</b>   | <b>(39,250)</b>  |
|   | Opening net debt                                                           | (937,631)          | (898,381)        |
|   | <b>Closing net debt</b>                                                    | <b>(1,447,270)</b> | <b>(937,631)</b> |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2001

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                     |                      |
|---------------------|----------------------|
| Freehold buildings  | 2% straight line     |
| Plant and machinery | 15% reducing balance |
| Motor vehicles      | 25% reducing balance |

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

#### 1.6 Long term contracts

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which cost incurred to date relates to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

#### 1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

|          |                                                   |                   |                   |
|----------|---------------------------------------------------|-------------------|-------------------|
| <b>2</b> | <b>Operating (loss)/profit</b>                    | <b>2001</b>       | <b>2000</b>       |
|          |                                                   | £                 | £                 |
|          | Operating (loss)/profit is stated after charging: |                   |                   |
|          | Depreciation of tangible assets                   | 102,745           | 107,360           |
|          | Auditors' remuneration                            | 6,500             | 4,150             |
|          |                                                   | <u>          </u> | <u>          </u> |
| <b>3</b> | <b>Interest payable</b>                           | <b>2001</b>       | <b>2000</b>       |
|          |                                                   | £                 | £                 |
|          | On bank loans and overdrafts                      | 62,898            | 55,443            |
|          | On other loans wholly repayable within 5 years    | 15,206            | -                 |
|          | Hire purchase interest                            | 17,815            | 18,347            |
|          |                                                   | <u>          </u> | <u>          </u> |
|          |                                                   | 95,919            | 73,790            |
|          |                                                   | <u>          </u> | <u>          </u> |
| <b>4</b> | <b>Taxation</b>                                   | <b>2001</b>       | <b>2000</b>       |
|          |                                                   | £                 | £                 |
|          | <b>Domestic current year taxation</b>             |                   |                   |
|          | U.K. corporation tax                              | -                 | (10,290)          |
|          | Adjustment for prior years                        | 366               | (304)             |
|          | Receipt in respect of group relief                | (73,855)          | -                 |
|          | Deferred taxation                                 | 66,758            | 2,230             |
|          |                                                   | <u>          </u> | <u>          </u> |
|          |                                                   | 140,247           | 8,364             |
|          |                                                   | <u>          </u> | <u>          </u> |
| <b>5</b> | <b>Dividends</b>                                  | <b>2001</b>       | <b>2000</b>       |
|          |                                                   | £                 | £                 |
|          | Ordinary interim paid                             | -                 | 5,000             |
|          |                                                   | <u>          </u> | <u>          </u> |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

### 6 Tangible fixed assets

|                       | Freehold<br>buildings<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Total<br>£       |
|-----------------------|----------------------------|-----------------------------|------------------------|------------------|
| <b>Cost</b>           |                            |                             |                        |                  |
| At 1 June 2000        | 660,126                    | 764,651                     | 126,221                | 1,550,998        |
| Additions             | 1,751                      | 4,591                       | 30,250                 | 36,592           |
|                       | <u>661,877</u>             | <u>769,242</u>              | <u>156,471</u>         | <u>1,587,590</u> |
| <b>Depreciation</b>   |                            |                             |                        |                  |
| At 1 June 2000        | 59,152                     | 346,618                     | 45,819                 | 451,589          |
| Charge for the year   | 13,203                     | 62,889                      | 26,653                 | 102,745          |
|                       | <u>72,355</u>              | <u>409,507</u>              | <u>72,472</u>          | <u>554,334</u>   |
| <b>Net book value</b> |                            |                             |                        |                  |
| At 31 May 2001        | <u>589,522</u>             | <u>359,735</u>              | <u>83,999</u>          | <u>1,033,256</u> |
| At 31 May 2000        | <u>600,974</u>             | <u>418,033</u>              | <u>80,402</u>          | <u>1,099,409</u> |

Included above are assets held under finance leases or hire purchase contracts as follows:

|                                         | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Total<br>£     |
|-----------------------------------------|-----------------------------|------------------------|----------------|
| <b>Net book values</b>                  |                             |                        |                |
| At 31 May 2001                          | <u>233,053</u>              | <u>78,051</u>          | <u>311,104</u> |
| At 31 May 2000                          | <u>248,427</u>              | <u>72,137</u>          | <u>320,564</u> |
| <b>Depreciation charge for the year</b> |                             |                        |                |
| 31 May 2001                             | <u>41,128</u>               | <u>24,337</u>          | <u>65,465</u>  |
| 31 May 2000                             | <u>43,839</u>               | <u>17,094</u>          | <u>60,933</u>  |

### 7 Stocks and work in progress

|                               | 2001<br>£      | 2000<br>£      |
|-------------------------------|----------------|----------------|
| Raw materials and consumables | 51,983         | -              |
| Work in progress              | 811,068        | 334,092        |
|                               | <u>863,051</u> | <u>334,092</u> |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

| 8 Debtors                                                 | 2001<br>£      | 2000<br>£        |
|-----------------------------------------------------------|----------------|------------------|
| Trade debtors                                             | 460,304        | 853,432          |
| Amounts recoverable on long term contracts                | -              | 102,529          |
| Amounts owed by parent and fellow subsidiary undertakings | 73,855         | 397,791          |
| Corporation tax                                           | 10,290         | 10,289           |
| Other debtors                                             | 330            | 29,041           |
| Prepayments and accrued income                            | 47,099         | 175              |
|                                                           | <u>591,878</u> | <u>1,393,257</u> |

Amounts falling due after more than one year and included in the debtors above are:

|                                    | 2001<br>£ | 2000<br>£ |
|------------------------------------|-----------|-----------|
| Amounts owed by group undertakings | -         | 397,791   |

| 9 Creditors: amounts falling due within one year | 2001<br>£        | 2000<br>£        |
|--------------------------------------------------|------------------|------------------|
| Bank loans and overdrafts                        | 313,465          | 450,526          |
| Payments received on account                     | 552,454          | 358,776          |
| Net obligations under hire purchase contracts    | 61,532           | 100,287          |
| Trade creditors                                  | 715,119          | 469,436          |
| Taxes and social security costs                  | 106,673          | 104,805          |
| Other creditors                                  | 2,813            | 481              |
| Accruals and deferred income                     | 46,299           | 8,350            |
|                                                  | <u>1,798,355</u> | <u>1,492,661</u> |
| Debt due in one year or less                     | <u>38,950</u>    | <u>57,120</u>    |

The bank overdraft is secured by an unlimited debenture dated 27 April 1992 and a legal charge over the company's freehold land and buildings. In addition Pentmere Limited, the parent company, has provided an unlimited all moneys guarantee as security for the overdraft.

The amounts due under finance leases and hire purchase contracts are secured on the relevant assets.

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

| 10 Creditors: amounts falling due after more than one year                                            | 2001<br>£        | 2000<br>£      |
|-------------------------------------------------------------------------------------------------------|------------------|----------------|
| Bank loans                                                                                            | 313,279          | 348,060        |
| Net obligations under hire purchase contracts                                                         | 39,189           | 81,670         |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 720,000          | -              |
|                                                                                                       | <u>1,072,468</u> | <u>429,730</u> |
| <b>Analysis of loans</b>                                                                              |                  |                |
| Not wholly repayable within five years by instalments:                                                |                  |                |
| Up to one year and on demand                                                                          | 38,950           | 57,120         |
| Between one and two years                                                                             | 41,871           | 43,080         |
| Between two and five years                                                                            | 201,333          | 152,480        |
| After five years                                                                                      | 790,075          | 152,500        |
|                                                                                                       | <u>1,072,229</u> | <u>405,180</u> |
| Included in current liabilities                                                                       | (38,950)         | (57,120)       |
|                                                                                                       | <u>1,033,279</u> | <u>348,060</u> |
| Instalments not due within five years                                                                 | <u>70,074</u>    | <u>152,500</u> |
| <b>Loan maturity analysis</b>                                                                         |                  |                |
| In more than one year but not more than two years                                                     | 41,871           | 43,080         |
| In more than two years but not more than five years                                                   | 201,333          | 152,480        |
| In more than five years                                                                               | 790,075          | 152,500        |
|                                                                                                       | <u></u>          | <u></u>        |
| <b>Net obligations under hire purchase contracts</b>                                                  |                  |                |
| Repayable within one year                                                                             | 73,198           | 117,190        |
| Repayable between one and five years                                                                  | 47,365           | 97,772         |
|                                                                                                       | <u>120,563</u>   | <u>214,962</u> |
| Finance charges and interest allocated to future accounting periods                                   | (19,842)         | (33,005)       |
|                                                                                                       | <u>100,721</u>   | <u>181,957</u> |
| Included in liabilities falling due within one year                                                   | (61,532)         | (100,287)      |
|                                                                                                       | <u>39,189</u>    | <u>81,670</u>  |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

### 11 Provisions for liabilities and charges

|                         | Deferred<br>taxation<br>£ |
|-------------------------|---------------------------|
| Balance at 1 June 2000  | 66,758                    |
| Profit and loss account | (66,758)                  |
| Balance at 31 May 2001  | -                         |

Deferred taxation provided in the financial statements is as follows:

|                                | 2001<br>£ | Fully provided<br>2000<br>£ |
|--------------------------------|-----------|-----------------------------|
| Accelerated capital allowances | 66,758    | 66,758                      |
| Tax losses available           | (66,758)  | -                           |
|                                | -         | 66,758                      |

### 12 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £50,887 (2000 - £158,145).

### 13 Share capital

|                                           | 2001<br>£ | 2000<br>£ |
|-------------------------------------------|-----------|-----------|
| <b>Authorised</b>                         |           |           |
| 4,000 ordinary of £ 1 each                | 4,000     | 4,000     |
| <b>Allotted, called up and fully paid</b> |           |           |
| 4,000 ordinary of £ 1 each                | 4,000     | 4,000     |

### 14 Statement of movements on profit and loss account

|                            | Profit and<br>loss account<br>£ |
|----------------------------|---------------------------------|
| Balance at 1 June 2000     | 876,521                         |
| Retained loss for the year | (1,262,964)                     |
| Balance at 31 May 2001     | (386,443)                       |

# ORWIN AUTOMATION LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2001

|                                                                                    |               |               |
|------------------------------------------------------------------------------------|---------------|---------------|
| <b>15 Reconciliation of movements in shareholders' funds</b>                       | <b>2001</b>   | <b>2000</b>   |
|                                                                                    | <b>£</b>      | <b>£</b>      |
| Loss for the financial year                                                        | (1,262,964)   | (43,798)      |
| Dividends                                                                          | -             | (5,000)       |
| Net depletion in shareholders' funds                                               | (1,262,964)   | (48,798)      |
| Opening shareholders' funds                                                        | 880,521       | 929,319       |
| Closing shareholders' funds                                                        | (382,443)     | 880,521       |
| <b>16 Directors' emoluments</b>                                                    | <b>2001</b>   | <b>2000</b>   |
|                                                                                    | <b>£</b>      | <b>£</b>      |
| Emoluments for qualifying services                                                 | 132,978       | 166,139       |
| Company pension contributions to money purchase schemes                            | 45,159        | 58,333        |
|                                                                                    | 178,137       | 224,472       |
| <b>17 Employees</b>                                                                |               |               |
| <b>Number of employees</b>                                                         |               |               |
| The average monthly number of employees (including directors) during the year was: |               |               |
|                                                                                    | <b>2001</b>   | <b>2000</b>   |
|                                                                                    | <b>Number</b> | <b>Number</b> |
| Office and management                                                              | 10            | 10            |
| Manufacturing                                                                      | 60            | 63            |
|                                                                                    | 70            | 73            |
| <b>Employment costs</b>                                                            |               |               |
|                                                                                    | <b>£</b>      | <b>£</b>      |
| Wages and salaries                                                                 | 1,761,390     | 1,912,054     |
| Social security costs                                                              | 18,794        | -             |
| Other pension costs                                                                | 50,887        | 64,582        |
|                                                                                    | 1,831,071     | 1,976,636     |