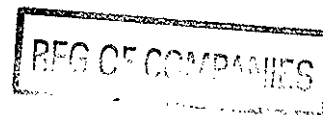


HOBSON TECHNOLOGY LIMITED



COMPANY NUMBER

02098310

ANNUAL REPORT AND ACCOUNTS

31 MARCH 1998



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COMPANIES HOUSE 27/06/98

THOMAS DAVID

Chartered Accountants

HOBSON TECHNOLOGY LIMITED

DIRECTOR M. Green - Chairman

SECRETARY Mrs P.R. Green

REGISTERED OFFICE Mill Studio Business Centre
Crane Mead
Ware
Hertfordshire SG12 9PY

REGISTERED NUMBER 02098310 England and Wales

AUDITORS Thomas David
Chartered Accountants
Mill Studio Business Centre
Crane Mead
Ware
Hertfordshire SG12 9PY

ANNUAL REPORT AND ACCOUNTS - 31 MARCH 1998

Pages	2	Report of the directors
	3	Report of the auditors
		Accounts comprising:
	4	Profit and loss account
	5	Balance sheet
	6-8	Notes to the accounts

The following page does not form part of the statutory accounts:

9	Detailed profit and loss account
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HOBSON TECHNOLOGY LIMITED
REPORT OF THE DIRECTORS

The director presents his annual report with the accounts of the company for the year ended 31 March 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the provision of engineering services.

DIRECTOR

The director in office in the year and his beneficial interests in the company's issued ordinary share capital was as follows:

	1998	1997
M. Green	99	99

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- ~ select suitable accounting policies and then apply them consistently;
- ~ make judgements and estimates that are reasonable and prudent
- ~ follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- ~ prepare the accounts 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 accounts 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.

AUDITORS

The auditors, Thomas David were deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985.

In preparing the above report, the director has taken advantage of special exemptions applicable to small companies.

Signed on behalf of the board of directors

M. Green

Director



Approved by the board: 12 June 1998

Thomas David

CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE SHAREHOLDERS OF

HOBSON TECHNOLOGY LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

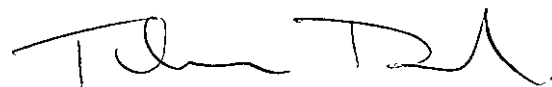
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



THOMAS DAVID

Chartered Accountants and Registered Auditors

15 June 1998

HOBSON TECHNOLOGY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1998

	Notes	1998 £	1997 £
TURNOVER	2	43,259	19,796
Cost of sales		10,486	-
GROSS PROFIT		<u>32,773</u>	<u>19,796</u>
Administrative expenses		(2,437)	(3,064)
Other operating charges		(6,716)	(3,845)
OPERATING PROFIT	3	23,620	12,887
Interest received		273	98
Income from investments received		112	745
Profit from investment sales		-	369
PROFIT on ordinary activities before taxation		<u>24,005</u>	<u>14,099</u>
TAXATION	4	(4,960)	(3,204)
PROFIT for the financial year after taxation		<u>19,045</u>	<u>10,895</u>
DIVIDENDS paid or proposed		(18,000)	(5,000)
RETAINED PROFIT for the financial year		1,045	5,895
RETAINED PROFIT at 1 April 1997		18,675	12,780
RETAINED PROFIT at 31 March 1998		<u>£19,720</u>	<u>£18,675</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 8 form part of the statutory accounts.

HOBSON TECHNOLOGY LIMITED
BALANCE SHEET - 31 MARCH 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible assets	5	2,376	2,650
Investments	6	3,735	3,735
		<u>6,111</u>	<u>6,385</u>
CURRENT ASSETS			
Cash at bank and in hand		33,103	22,974
		<u>33,103</u>	<u>22,974</u>
CREDITORS: amounts falling due within one year.	7	(19,394)	(10,584)
NET CURRENT ASSETS		<u>13,709</u>	<u>12,390</u>
NET ASSETS		<u>£ 19,820</u>	<u>£ 18,775</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account		19,720	18,675
SHAREHOLDERS' FUNDS	9	<u>£ 19,820</u>	<u>£ 18,775</u>

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Signed on behalf of the board of directors

M. Green

Approved by the board: 12 June 1998

Director



The notes on pages 6 to 8 form part of the statutory accounts.

HOBSON TECHNOLOGY LIMITED
NOTES TO THE ACCOUNTS - 31 MARCH 1998

1. **ACCOUNTING POLICIES**

Basis of accounting

The accounts have been prepared under the historical cost convention.

Cash flow

The accounts do not include a cash flow statement because the company, a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Turnover

Turnover represents net invoiced sales of goods, excluding VAT.

Tangible fixed assets

Depreciation is provided at the following annual rate in order to write off each asset over its estimated useful life:

Office equipment - 25% on written down value

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. **TURNOVER**

Turnover attributable to geographical markets outside the United Kingdom amounted to 0% (1997-0%).

3. **OPERATING PROFIT**

The operating profit (1997-profit) is stated after charging:

	1998	1997
	£	£
Auditors' remuneration	450	500
	<u> </u>	<u> </u>

4. **TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	1998	1997
	£	£
Corporation tax for the year at 21% (1997-24%)	4,960	3,204
	<u>£ 4,960</u>	<u>£ 3,204</u>

HOBSON TECHNOLOGY LIMITED
NOTES TO THE ACCOUNTS - 31 MARCH 1998

5.	TANGIBLE FIXED ASSETS	Office equipment	Total
	COST	£	£
	At 1 April 1997	3,531	3,531
	Additions	518	518
	At 31 March 1998	<u>4,049</u>	<u>4,049</u>
	DEPRECIATION		
	At 1 April 1997	881	881
	Charge for year	792	792
	At 31 March 1998	<u>1,673</u>	<u>1,673</u>
	NET BOOK VALUES		
	At 31 March 1998	<u>£ 2,376</u>	<u>£ 2,376</u>
	At 31 March 1997	<u>£ 2,650</u>	<u>£ 2,650</u>
6.	INVESTMENTS	1998	1997
		£	£
	211 Ordinary shares in BAA Plc at cost	245	245
	1,038 Ordinary shares in Chiltern Radio Ltd at cost	1,240	1,240
	1,291 Ordinary shares in British Airways Plc at cost	2,250	2,250
		<u>£ 3,735</u>	<u>£ 3,735</u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1998	1997
		£	£
	Other creditors	18,934	7,380
	Corporation tax	460	1,954
	Advance corporation tax	-	1,250
		<u>£19,394</u>	<u>£10,584</u>
8.	CALLED UP SHARE CAPITAL	1998	1997
		£	£
	Authorised		
	100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
	Allotted, called up and fully paid		
	100 (1996-100) ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

HOBSON TECHNOLOGY LIMITED
NOTES TO THE ACCOUNTS - 31 MARCH 1998

	1998 £	1997 £
9. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS		
PROFIT for the financial year after taxation	19,045	10,895
DIVIDENDS paid or proposed	(18,000)	(5,000)
	<u>1,045</u>	<u>5,895</u>
Opening shareholders' funds at 1 April 1997	18,775	12,880
	<u> </u>	<u> </u>
Closing shareholders' funds at 31 March 1998	<u>£19,820</u>	<u>£18,775</u>