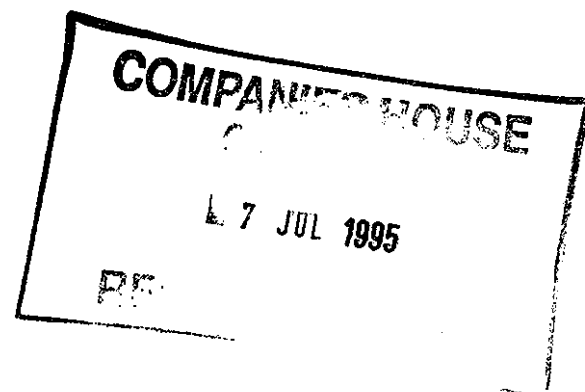
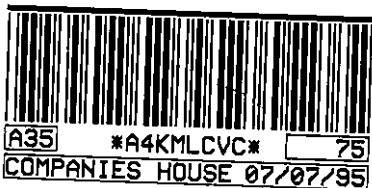


MAYER COHEN INDUSTRIES LIMITED

**NEWTOWN INDUSTRIAL ESTATE,
CROSSKEYS, GWENT**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1994**

COMPANY NO. 00322715



WATTS GREGORY & DANIEL CHARTERED ACCOUNTANTS

MAYER COHEN INDUSTRIES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

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MAYER COHEN INDUSTRIES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

M.S. Burstall
R.O. Cohen
J.B. Roberts
J.L. Cookson
D.A.H. Davies
R.A. Mortimer
R.A.L. Norton
P.J. Roberts

COMPANY SECRETARY

A.B. Leck

REGISTERED OFFICE

Clareville House
25-27 Oxendon Street
London
SW1Y 4EL

AUDITORS

Watts Gregory & Daniel
Chartered Accountants & Registered Auditors
10/14 Museum Place
Cardiff CF1 3NZ

BANKERS

National Westminster Bank Plc
1 St. James Square
London
SW 1Y 4JX

SOLICITORS

Harold Benjamin & Collins
Hill House
67-71 Lowlands Road
Harrow
Middlesex HA1 3EX

MAYER COHEN INDUSTRIES LIMITED

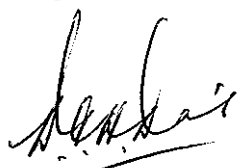
CHAIRMAN'S STATEMENT

The company returned a record profit in 1994. This was achieved partly by improvements in its main activity, and partly due to substantial sales of accumulated stocks.

Since the year end there have been significant changes in the company's main contract, the effects of which have not been fully evaluated but are likely to be adverse due to the reduced amount of material made available.

There are, however, opportunities to sell a wider range of reusable units as opposed to material recovery. The company is actively diversifying its activities, and this is expected to bring long term benefits.

I am most grateful for the contribution which the directors and all employees made to the company's success during the year.



D.A.H. Davies
Chairman

Dated : 5 July 1995

MAYER COHEN INDUSTRIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 1994

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 1994.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is the recycling of plastic and electronic scrap with a view to recovering plastic, precious metals, ferrous and non-ferrous metals.

The company also remanufactures and sells re-usable units and components.

The company has succeeded in generating a profit of £463,536 and anticipates continuing in profit in 1995 as the business develops.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The balance of the profits for the year amounting to £443,731 will be set against the deficit brought forward on profit and loss account.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 Dec 94	At 1 Jan 94
M.S. Burstall	-	-
R.O. Cohen	-	-
J.B. Roberts	-	-
J.L. Cookson	-	-
D.A.H. Davies	-	-
R.A. Mortimer	-	-
R.A.L. Norton	-	-
P.J. Roberts	-	-
	<hr/>	<hr/>

MAYER COHEN INDUSTRIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 1994

FIXED ASSETS

The movements in fixed assets are recorded in the notes to the financial statements.

MARKET VALUE OF LAND AND BUILDINGS

The freehold property was professionally valued on 11 May 1995 at £1,500,000. The revalued amount is shown in the balance sheet. The revaluation deficit has been taken to the revaluation reserve.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

A resolution to appoint Watts Gregory & Daniel as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:

Clareville House
25-27 Oxendon Street
London
SW1Y 4EL

Signed on behalf of the directors



A.B. Leck
Company secretary

Approved by the directors on 5 July 1995

MAYER COHEN INDUSTRIES LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31 DECEMBER 1994

We have audited the financial statements on pages 6 to 22 which have been prepared in accordance with the accounting policies set out on page 11.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described in the directors' report, the directors of the company are responsible for the preparation of the financial statements. 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 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 circumstances of the company, 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 affairs of the company as at 31 December 1994 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Watts Gregory & Daniel

WATTS GREGORY & DANIEL
Chartered Accountants
& Registered Auditors
10/14 Museum Place
Cardiff CF1 3NZ

5 July 1995

MAYER COHEN INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1994

	Note	1994 £	1993 £
TURNOVER - on continuing operations	2	3,654,051	2,780,761
Cost of sales		(1,893,674)	(1,500,245)
GROSS PROFIT		<u>1,760,377</u>	<u>1,280,516</u>
Distribution costs		(81,173)	(69,693)
Administrative expenses		(1,140,528)	(931,145)
Other operating income	3	28,407	31,773
OPERATING PROFIT - on continuing operations	4	<u>567,083</u>	<u>311,451</u>
Income from participating interests	7	-	4,326
Interest payable and similar charges	8	(103,547)	(131,326)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>463,536</u>	<u>184,451</u>
Tax on profit on ordinary activities	9	(19,805)	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>443,731</u>	<u>184,451</u>
Balance brought forward		(550,205)	(734,656)
BALANCE CARRIED FORWARD		<u>(106,474)</u>	<u>(550,205)</u>

The notes on pages 11 to 22 form part of these financial statements.

MAYER COHEN INDUSTRIES LIMITED

YEAR ENDED 31 DECEMBER 1994

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1994 £	1993 £
Profit for the financial period	443,731	184,451
Unrealised deficit on revaluation of properties	(500,000)	-
Total gains and losses recognised since the last annual report	<u>(56,269)</u>	<u>184,451</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £	1993 £
Profit for the financial period	443,731	184,451
Other net recognised gains and losses	(500,000)	-
Net (reduction of)/addition to funds	<u>(56,269)</u>	<u>184,451</u>
Opening shareholders funds	1,693,422	1,508,971
Closing shareholders funds	<u>1,637,153</u>	<u>1,693,422</u>

The notes on pages 11 to 22 form part of these financial statements.

MAYER COHEN INDUSTRIES LIMITED

BALANCE SHEET

31 DECEMBER 1994

	Note	1994 £	1993 £
FIXED ASSETS			
Tangible assets	10	1,832,231	2,371,077
Investments	11	328,167	328,167
		<u>2,160,398</u>	<u>2,699,244</u>
CURRENT ASSETS			
Stocks	12	286,666	254,469
Debtors	13	828,467	394,118
Cash at bank and in hand		2,218	3,524
		<u>1,117,351</u>	<u>652,111</u>
CREDITORS: Amounts falling due within one year	14	(1,060,475)	(939,937)
NET CURRENT ASSETS/(LIABILITIES)		<u>56,876</u>	<u>(287,826)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,217,274</u>	<u>2,411,418</u>
CREDITORS: Amounts falling due after more than one year	15	(560,316)	(717,996)
		<u>1,656,958</u>	<u>1,693,422</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	17	(19,805)	-
NET ASSETS		<u>1,637,153</u>	<u>1,693,422</u>
CAPITAL AND RESERVES			
Equity share capital	21	735,510	735,510
Revaluation reserve	22	1,008,117	1,508,117
Profit and loss account		(106,474)	(550,205)
SHAREHOLDERS' FUNDS		<u>1,637,153</u>	<u>1,693,422</u>

These financial statements were approved by the board of directors on the 5th July 1995 and are signed on their behalf by:



M.S. BURSTALL

The notes on pages 11 to 22 form part of these financial statements.

MAYER COHEN INDUSTRIES LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 1994

	1994 £	1993 £
Net cash inflow from operating activities	399,959	479,381
Returns on investments and servicing of finance		
Interest paid	(99,902)	(129,064)
Interest element of finance agreements	(3,645)	(2,262)
Dividend received (net)	-	2969
Net cash outflow from returns on investments & servicing of finance	(103,547)	(128,357)
Taxation		
Corporation tax recovered	-	1,642
Taxes paid	-	1,642
Investing activities		
Payments to acquire tangible fixed assets	(110,496)	(86,710)
Payments to acquire investments	-	(1)
Receipts from sales of tangible fixed assets	449	3,450
Net cash outflow from investing activities	(110,047)	(83,261)
Net cash inflow before financing	186,365	269,405
Financing		
Net outflow from loans	(140,873)	(56,555)
Net inflow/(outflow) in respect of finance leases	21,503	(3,804)
Net cash outflow from financing	(119,370)	(60,359)
Increase in cash and cash equivalents	66,995	209,046

The notes on pages 11 to 22 form part of these financial statements.

MAYER COHEN INDUSTRIES LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 1994

Reconciliation of operating profit to net cash inflow from operating activities

	1994 £	1993 £
Operating profit	567,083	311,451
Depreciation	143,866	124,383
Loss/(Profit) on disposal of fixed assets	5,027	(3,450)
(Increase)/Decrease in stocks	(32,197)	130,070
Increase in debtors	(434,349)	(92,494)
Increase in creditors	150,529	9,421
Net cash inflow from operating activities	399,959	479,381

Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	1994 £	1993 £	Change £
Cash at bank and in hand	2,218	3,524	(1,306)
Bank overdraft	(376,499)	(444,800)	68,301
	<u>(374,281)</u>	<u>(441,276)</u>	<u>66,995</u>

Analysis of changes in cash and cash equivalents during the year

	£
Balance brought forward	(441,276)
Net cash inflow	66,995
Balance carried forward	<u>(374,281)</u>

Analysis of changes in financing in the year

	Loans £	Hire Purchase £	Total £
Balance at 1.1.94	844,278	9,329	853,607
Advanced - by shareholders	-	-	-
- by other lenders	-	40,578	40,578
Repaid	(140,873)	(19,075)	(159,948)
Balance at 31.12.94	<u>703,405</u>	<u>30,832</u>	<u>734,237</u>

The notes on pages 11 to 22 form part of these financial statements.

MAYER COHEN INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, using the following accounting policies:

Turnover

Turnover consists of amounts invoiced during the year net of value added tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant and machinery	- 3 to 10 years
Motor vehicles	- 3 to 4 years

No depreciation has been provided on the freehold property.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Work in progress

Work in progress and finished goods are stated at the lower of cost and net realisable value. Cost includes attributable production overheads based on normal activity levels.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Research and development

Research and development expenditure is written off when incurred.

Development grants

Development grants are credited to profit and loss account at the rates at which the related assets are depreciated.

Discretionary government grants are accounted for only when received.

Grants received prior to the revision of SSAP 4 in July 1990 were netted against the original cost of the related assets.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	1994 £	1993 £
United Kingdom	2,560,687	1,947,905
Overseas	1,093,364	832,856
	<u>3,654,051</u>	<u>2,780,761</u>

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

3. OTHER OPERATING INCOME

	1994 £	1993 £
Rent receivable	28,407	31,773

4. OPERATING PROFIT

Operating profit is stated after charging:

	1994 £	1993 £
Depreciation	143,866	124,383
Loss/(Profit) on disposal of fixed assets	5,027	(3,450)
Auditors' fees	7,020	6,600
Operating lease costs:		
Plant and equipment	27,680	16,754

Auditor's fees

The fees charged by the auditors can be further analysed under the following headings for services rendered:

	1994 £	1993 £
Audit	7,020	6,600

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	1994 No.	1993 No.
Factory	158	133
Office and management	21	16
	179	149

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

5. PARTICULARS OF EMPLOYEES *(continued)*

The aggregate payroll costs of the above were:

	1994 £	1993 £
Wages and salaries	1,609,662	1,216,539
Social security costs	123,919	99,037
Other pension costs	43,113	37,402
	<u>1,776,694</u>	<u>1,352,978</u>

6. DIRECTORS' EMOLUMENTS

The directors' emoluments, including pension contributions, were:

	1994 £	1993 £
Remuneration as directors	122,640	90,041
Pension contributions	23,869	13,720
	<u>146,509</u>	<u>103,761</u>

Emoluments excluding pension contributions:

	1994 £	1993 £
Chairman	-	6,400
Highest paid director	<u>39,600</u>	<u>39,600</u>

The other directors, whose emoluments, excluding pension contributions, fell within the ranges set out below, were as follows:

	1994 No.	1993 No.
£ 0 - 5,000	3	3
£ 10,001 - 15,000	-	1
£ 15,001 - 20,000	-	2
£ 20,001 - 25,000	1	-
£ 25,001 - 30,000	<u>2</u>	<u>-</u>

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

7. INCOME FROM PARTICIPATING INTERESTS

	1994	1993
	£	£
Income from participating interests	-	4,326

8. INTEREST PAYABLE AND SIMILAR CHARGES

	1994	1993
	£	£
Interest payable on bank borrowing	99,902	127,367
H.P. / leasing interest	3,645	2,262
British Coal loan interest	-	1,049
Other similar charges payable	-	648
	103,547	131,326

9. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	1994	1993
	£	£
Current year corporation tax at 25%	-	-
Increase in deferred tax provision		
- see note 17	19,805	-

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

10. TANGIBLE FIXED ASSETS

	Freehold Property	Plant and Equipment	Motor Vehicles	Total
	£	£	£	£
COST OR VALUATION				
At 1st January 1994	2,000,000	854,341	33,942	2,888,283
Additions	-	110,496	-	110,496
Disposals	-	(12,163)	-	(12,163)
Revaluation	(500,000)	-	-	(500,000)
	<u>1,500,000</u>	<u>952,674</u>	<u>33,942</u>	<u>2,486,616</u>
DEPRECIATION				
At 1st January 1994	-	494,401	22,805	517,206
Charge for year	-	132,982	10,884	143,866
On disposals	-	(6,687)	-	(6,687)
	<u>-</u>	<u>620,696</u>	<u>33,689</u>	<u>654,385</u>
NET BOOK VALUE				
At 31st December 1994	<u>1,500,000</u>	<u>331,978</u>	<u>253</u>	<u>1,832,231</u>
At 1st January 1994	<u>2,000,000</u>	<u>359,940</u>	<u>11,137</u>	<u>2,371,077</u>

Revaluation of fixed assets

The freehold land and buildings were revalued by professional valuers on the 11 May 1995 at £1,500,000. The revalued sum has been included above.

Hire purchase and finance lease agreements

Included within the net book value £1,832,231 is £31,850 (1993 - £10,697) relating to assets held under hire purchase agreements, and £Nil (1993 - £Nil) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £19,834 (1993 - £10,760), and £Nil (1993 - £Nil) in respect of assets held under finance lease agreements.

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

10. TANGIBLE FIXED ASSETS *(continued)*

Capital commitments	1994	1993
	£	£
Contracted but not provided for in the accounts	<u>45,365</u>	<u>16,987</u>

11. INVESTMENTS

	1994	1993
	£	£
Participating interests	<u>328,167</u>	<u>328,167</u>
	<u>328,167</u>	<u>328,167</u>

The investment comprises 49250 Ordinary shares in A.Cohen & Co. plc. The shares are listed on a recognised stock exchange. The market value at 31.12.94 was £262,502 (31.12.93 £204,338).

12. STOCKS

	1994	1993
	£	£
Raw materials	153,703	118,611
Work in progress	25,326	6,988
Finished goods	<u>107,637</u>	<u>128,870</u>
	<u>286,666</u>	<u>254,469</u>

13. DEBTORS

	1994	1993
	£	£
Trade debtors	644,526	323,738
Other debtors	149,637	22,585
Prepayments and accrued income	<u>34,304</u>	<u>47,795</u>
	<u>828,467</u>	<u>394,118</u>

All debtors are repayable within one year of the balance sheet date.

Included in "other debtors" are stage payments of £105,063 in respect of fixed assets. The balance payable in respect of these assets is shown as a capital commitment in note 10 above.

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

14. CREDITORS: Amounts falling due within one year

	1994 £	1993 £
Bank loans and overdrafts	534,691	534,321
Trade creditors	204,644	116,827
Other creditors including taxation and social security:		
Taxation and Social Security:	147,499	116,468
HP and finance leases	15,728	6,090
Amounts owed to shareholder companies	-	40,000
Pension creditor	10,000	6,400
Other creditors	29,196	16,278
	<u>202,423</u>	<u>185,236</u>
Accruals and deferred income	118,717	103,553
	<u>1,060,475</u>	<u>939,937</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1994 £	1993 £
Bank loans and overdrafts	<u>534,691</u>	<u>534,321</u>

Bank borrowings are secured by a legal mortgage over the freehold premises and a memorandum of deposit over 44,000 shares in A.Cohen & Co. plc.

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

15. CREDITORS: Amounts falling due after more than one year

	1994 £	1993 £
Bank loans and overdrafts	545,212	714,757
Other creditors:		
HP and finance leases	15,104	3,239
	<u>560,316</u>	<u>717,996</u>

Repayment terms:-

- a) Bank mortgage loan £445,345 (1993 £460,000) repayable by monthly instalments, subject to review. Interest rate 3% over bank base rate.
- b) Bank loan re share purchase £184,000 (1993 £232,000) repayable by monthly instalments at an interest rate of 3% over bank base rate.
- c) Bank loan re water tank £11,560 (1993 £18,528) repayable by monthly instalments at 3.5% over bank base rate, subject to a minimum 8.5%.
- d) ECSC loan £62,500 (1993 £93,750) repayable over four years from December 1992 in half yearly instalments at 8.5% interest.

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	1994 £	1993 £
Bank loans and overdrafts	<u>545,212</u>	<u>714,757</u>

Bank borrowings are secured by a legal mortgage over the freehold premises and a memorandum of deposit over 44,000 shares in A.Cohen & Co. plc.

The following liabilities disclosed under creditors falling due after more than one year are repayable by instalments, some of which fall due for payment after more than five years from the balance sheet date:

	1994 £	1993 £
Bank loans and overdrafts	<u>545,212</u>	<u>714,757</u>

MAYER COHEN INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

15. CREDITORS: Amounts falling due after more than one year (continued)

Of the liabilities repayable by instalments, the following are the aggregate amounts of the instalments falling due for repayment after more than five years from the balance sheet date:

	1994 £	1993 £
Bank loans and overdrafts	<u>107,805</u>	<u>460,000</u>

16. PENSIONS

The company contributes to two defined contribution pension schemes. Contributions are charged to profit and loss account in accordance with advice given from the insurance companies. Any debtor or creditor arising at the year end is shown separately within the appropriate notes to the financial statements.

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	1994 £	1993 £
Provision for year	<u>19,805</u>	-
Provision carried forward	<u>19,805</u>	-

The provision for deferred taxation consists of the tax effect of timing differences in respect of:-

	1994		1993	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	76,294	-	82,296	82,296
Tax losses available	(57,927)	-	(81,958)	(183,286)
Revaluation surplus	-	250,000	-	394,000
Other timing differences	1,438	-	(338)	(338)
	<u>19,805</u>	<u>250,000</u>	<u>-</u>	<u>292,672</u>

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18. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

Future commitments under hire purchase and finance lease agreements are as follows:

	1994 £	1993 £
Amounts payable within 1 year	17,937	6,802
Amounts payable between 2 to 5 years	17,194	4,775
	<u>35,131</u>	<u>11,577</u>
Less interest and finance charges relating to future periods	(4,299)	(2,248)
	<u>30,832</u>	<u>9,329</u>

19. COMMITMENTS UNDER OPERATING LEASES

The company has commitments under operating leases to make payments totalling £34,959 (1993 - £75,777) in the year to 31 December 1995 as follows:

	1994 £	1993 £
Agreements expiring:		
Within 1 year	8,617	33,600
Within 2 to 5 years	26,342	42,177
	<u>34,959</u>	<u>75,777</u>

20. TRANSACTIONS WITH THE DIRECTORS

A number of directors are also directors of companies who entered into transactions with the company. All these transactions were entered into on an arms length basis.

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21. SHARE CAPITAL

Authorised share capital:	1994 £	1993 £
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	1994 £	1993 £
Ordinary share capital	<u>735,510</u>	<u>735,510</u>

22. REVALUATION RESERVE

	1994 £	1993 £
Balance brought forward	1,508,117	1,508,117
Revaluation of fixed assets	<u>(500,000)</u>	<u>-</u>
Balance carried forward	<u>1,008,117</u>	<u>1,508,117</u>

23. ULTIMATE HOLDING COMPANIES

The share capital of the company is owned equally by A.Cohen & Co. (Great Britain) Limited and Maynew Investments Limited. Both companies are registered in the U.K.