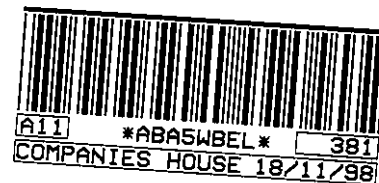


MINI-BATCH PLATING CO. LIMITED
FINANCIAL STATEMENTS
31 MARCH 1998

Registered number: 1282337

WEATHERER BAILEY BRAGG
CHARTERED CERTIFIED ACCOUNTANTS
West Midlands



MINI-BATCH PLATING CO. LIMITED
FINANCIAL STATEMENTS
for the year ended 31 March 1998

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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MINI-BATCH PLATING CO. LIMITED

COMPANY INFORMATION

31 March 1998

INCORPORATED In England and Wales on 19 October 1976

NUMBER 1282337

DIRECTORS J.Pearson
Mrs J.Giles
R.P.Britten

SECRETARY Mrs J.Giles

REGISTERED OFFICE 31 Hatchett Street
Hockley
Birmingham
B19 3NX

BANKERS Barclays Bank plc
339 Birchfield Road
Perry Barr
Birmingham
B20 3EE

ACCOUNTANTS Weatherer Bailey Bragg
Chartered Certified Accountants
100 Boldmere Road
Sutton Coldfield
West Midlands
B73 5UB

MINI-BATCH PLATING CO. LIMITED

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DIRECTORS' REPORT

31 March 1998

The directors present their report and the financial statements for the year ended 31 March 1998.

Principal activity

The principal activity of the company was that of electroplaters.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31 March 1998 Ordinary shares	1 April 1997 Ordinary shares
J. Pearson	1,499	1,499
Mrs J. Giles	1	1
R. P. Britten	-	-


Reporting Accountants

The directors consider that for the year ended 31 March 1998 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Weatherer Bailey Bragg as Reporting Accountants. Their report is shown on page 3 of the financial statements.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Mrs J. Giles
Secretary

31 Hatchett Street
Hockley
Birmingham
B19 3NX

22 October 1998

MINI-BATCH PLATING CO. LIMITED

ACCOUNTANTS' REPORT

Accountants' report to the members
on the unaudited financial statements of
Mini-Batch Plating Co. Limited

We report on the financial statements for the year ended 31 March 1998 set out on pages 4 to 10.

Respective responsibilities of directors and reporting accountants

As described on page 5a the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

West Midlands
22 October 1998

Weatherer Bailey Bragg

Weatherer Bailey Bragg
Reporting Accountants

MINI-BATCH PLATING CO. LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 1998

	Note	1998 £	1997 £
Turnover	2	93,375	107,399
Cost of sales		(17,044)	(38,585)
Gross profit		<u>76,331</u>	<u>68,814</u>
Net operating expenses			
Distribution costs		(2,383)	(2,432)
Administrative expenses		(65,939)	(60,783)
Other operating income	3	5,960	4,951
Operating profit	4	<u>13,969</u>	<u>10,550</u>
Interest payable	6	(7,602)	(7,128)
Profit on ordinary activities before taxation		<u>6,367</u>	<u>3,422</u>
Taxation	7	(1,752)	(1,003)
Profit on ordinary activities after taxation retained for the year	14	<u><u>4,615</u></u>	<u><u>2,419</u></u>

Movements in reserves are shown in note 14.

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

There are no recognised gains or losses in 1998 or 1997 other than the profit for the year.

MINI-BATCH PLATING CO. LIMITED

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BALANCE SHEET

at 31 March 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	8		128,269		137,086
Current assets					
Stocks	9	7,978		8,081	
Debtors	10	21,913		32,187	
Cash at bank and in hand		1,565		2,009	
			<u>31,456</u>	<u>42,277</u>	
Creditors: amounts falling due within one year	11	(47,491)		(64,276)	
Net current liabilities			(16,035)		(21,999)
Total assets less current liabilities			<u>112,234</u>		<u>115,087</u>
Creditors: amounts falling due after more than one year	12		(50,771)		(58,239)
			<u>61,463</u>		<u>56,848</u>
Capital and reserves					
Called up share capital	13	1,500		1,500	
Profit and loss account	14	59,963		55,348	
Total shareholders' funds	15		<u>61,463</u>		<u>56,848</u>

continued.....

MINI-BATCH PLATING CO. LIMITED

BALANCE SHEET
(continued)

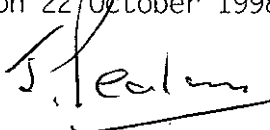
at 31 March 1998

The directors consider that for the year ended 31 March 1998 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 10 were approved by the board of directors on 22 October 1998 and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'J. Pearson', with a horizontal line drawn underneath the name.

J. Pearson
Director

MINI-BATCH PLATING CO. LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	over the period of the lease
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pension contributions

The company operates a defined contribution pension scheme on behalf of a director. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual premiums paid under this scheme during the year were £4,500 (1997:£3,899).

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK. (1997:£nil)

MINI-BATCH PLATING CO. LIMITED

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NOTES ON FINANCIAL STATEMENTS

31 March 1998

3 Other operating income

	1998	1997
	£	£
Net rental income	5,953	4,940
Bank deposit interest	7	11
	<u>5,960</u>	<u>4,951</u>

4 Operating profit

	1998	1997
	£	£
Operating profit is stated after crediting:		
Net rental income	5,953	4,940
Interest receivable	7	11
	<u>5,960</u>	<u>4,951</u>
Depreciation of tangible fixed assets (note 8)		
owned assets	6,948	6,836
leased assets	1,512	2,016
	<u>8,460</u>	<u>8,852</u>

5 Directors

	1998	1997
	£	£
Directors' emoluments	<u>29,757</u>	<u>25,632</u>

6 Interest payable

	1998	1997
	£	£
Finance lease and hire purchase contracts	590	590
Other interest payable	7,012	6,538
	<u>7,602</u>	<u>7,128</u>

7 Taxation

	1998	1997
	£	£
Corporation tax on profit on ordinary activities at 21% (1997 24%)	<u>1,752</u>	<u>1,003</u>

MINI-BATCH PLATING CO. LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1998

8 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Land and Buildings £	Total £
1 April 1997	13,300	80,472	21,563	93,537	208,872
Disposals	(357)	-	-	-	(357)
31 March 1998	<u>12,943</u>	<u>80,472</u>	<u>21,563</u>	<u>93,537</u>	<u>208,515</u>
Depreciation					
1 April 1997	5,850	55,405	10,531	-	71,786
Charge for year	1,863	3,661	1,655	1,281	8,460
31 March 1998	<u>7,713</u>	<u>59,066</u>	<u>12,186</u>	<u>1,281</u>	<u>80,246</u>
Net book amount					
31 March 1998	<u>5,230</u>	<u>21,406</u>	<u>9,377</u>	<u>92,256</u>	<u>128,269</u>
31 March 1997	<u>7,450</u>	<u>25,067</u>	<u>11,032</u>	<u>93,537</u>	<u>137,086</u>

The net book amount of fixed assets includes £4,534 (1997 £6,046) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 4.

9 Stocks

	1998 £	1997 £
Stocks	<u>7,978</u>	<u>8,081</u>

10 Debtors

	1998 £	1997 £
Amounts falling due within one year		
Trade debtors	21,390	26,908
Other debtors	523	5,279
	<u>21,913</u>	<u>32,187</u>

MINI-BATCH PLATING CO. LIMITED

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NOTES ON FINANCIAL STATEMENTS

31 March 1998

11 Creditors: amounts falling due within one year

	1998 £	1997 £
Mortgage loan account	8,844	8,844
Bank overdraft	3,430	8,379
Trade creditors	6,834	12,125
Obligations under finance leases and hire purchase contracts - note 12	2,047	2,233
Corporation tax	2,755	2,287
Other taxation and social security	7,039	8,448
Other creditors	16,542	21,960
	<u>47,491</u>	<u>64,276</u>

The bank overdraft is secured.

12 Creditors: amounts falling due after more than one year

	1998 £	1997 £
Mortgage loan account	50,771	52,822
Other creditors	-	5,417
	<u>50,771</u>	<u>58,239</u>

The mortgage loan account is secured on the company's leasehold land and buildings and is repayable over 15 years and is subject to the lenders variable rate of interest.

Obligations under finance leases and hire purchase contracts

Amounts included above are repayable over varying periods by monthly instalments as follows:

In the next year	2,047	2,233
Between two and five years	-	2,047
	<u>2,047</u>	<u>4,280</u>

MINI-BATCH PLATING CO. LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1998

13 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Allotted called up and fully paid				
Equity shares				
Ordinary shares of £1 each	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>

14 Profit and loss account

	1998 £
1 April 1997	55,348
Retained profit for the year	<u>4,615</u>
31 March 1998	<u>59,963</u>

15 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Profit for the financial year representing a Net addition to shareholders' funds	4,615	2,419
Opening shareholders' funds	<u>56,848</u>	<u>54,429</u>
Closing shareholders' funds	<u>61,463</u>	<u>56,848</u>