

Registered Number 1357452

PRIMASIL LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1996



AUDITORS' REPORT TO THE DIRECTORS OF

PRIMASIL LIMITED

UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 5 together with the full statutory accounts of the company for the year ended 30th April 1996 prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the full statutory accounts that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full statutory accounts.

OPINION

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th April 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 26th February 1997 we reported, as auditors of Primasil Limited, to the shareholders on the full statutory accounts for the year ended 30th April 1996 and our audit report under section 235 of the Companies Act 1985 was as set out on the following page.

CONTINUATION OF AUDITORS REPORT TO THE DIRECTORS OF

PRIMASIL LIMITED

UNDER PARAGRAHP 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

"We have audited the accounts on pages 3 to 8 which have been prepared in accordance with the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of 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 made 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 30th April 1996 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."

26th February 1997
Ross on Wye


THORNE & CO.
Chartered Accountants
Registered Auditor

PRIMASIL LIMITED

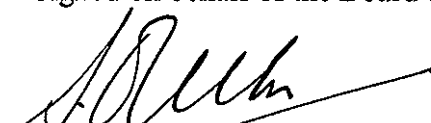
ABBREVIATED BALANCE SHEET - 30TH APRIL 1996

	<u>Note</u>	<u>1996</u>	<u>1995</u>
<u>FIXED ASSETS</u>			
Tangible Assets	2	<u>490,613</u>	<u>261,895</u>
<u>CURRENT ASSETS</u>			
Stocks		166,906	114,388
Debtors		<u>857,378</u>	<u>875,734</u>
		1,024,284	990,122
<u>CREDITORS: amounts due within one year</u>	3	<u>829,381</u>	<u>644,089</u>
<u>NET CURRENT ASSETS</u>		<u>194,903</u>	<u>346,033</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		685,516	607,928
<u>CREDITORS: amounts due after one year</u>		<u>-</u>	<u>31,118</u>
<u>NET ASSETS</u>		<u>685,516</u>	<u>576,810</u>
<u>CAPITAL AND RESERVES</u>			
Called-Up Share Capital	4	55,000	55,000
Share Premium Account		15,320	15,320
Profit and Loss Account		<u>615,196</u>	<u>506,490</u>
<u>SHAREHOLDERS FUNDS</u> (Including non-equity interests)		<u>685,516</u>	<u>576,810</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

In the preparation of the company's accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part 1 of Schedule 8 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Signed on behalf of the Board of Directors


S.C.G. Wheeler
Chairman

Approved by the Board: 26th February 1997

PRIMASIL LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 1996

1. Accounting Policies

a) Basis of Accounting

The accounts have been prepared under the historical cost convention.

b) Cash Flow

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

c) Turnover

Turnover represents amounts invoiced by the company in respect of goods and services provided and the value of work done, excluding Value Added Tax.

d) Depreciation

Depreciation is calculated on the reducing balance method so as to write off the cost of plant, vehicles and equipment over their estimated useful lives.

Plant and Machinery	10 to 25%
Fixtures, Fittings and Equipment	25%
Motor Vehicles	25%

e) Stock

Stock and Work in Progress has been valued at the lower of cost and net realisable value.

f) Hire Purchase and Operating Lease Contracts

Tangible fixed assets held under hire purchase contracts are capitalised at cost and the future commitments are included under creditors.

Operating lease rentals are charged to the profit and loss account as they fall due.

g) Deferred Taxation

No provision has been made as it is considered that no material liability will arise in the foreseeable future.

h) Pension Costs

The company operates a defined contribution scheme covering one director and some of the employees. The amounts included as pension costs represent the contributions paid in respect of the accounting period.

PRIMASIL LIMITED

CONTINUATION OF NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

30TH APRIL 1996

2. <u>Tangible Fixed Assets</u>	<u>Plant and Machinery</u>	<u>Fixtures, Fittings and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>Cost</u>				
At 30th April 1995	451,557	92,994	25,304	569,855
Additions	199,014	83,349	-	282,363
Disposals	(2,500)	-	(17,304)	(19,804)
At 30th April 1996	648,071	176,343	8,000	832,414
<u>Depreciation</u>				
At 30th April 1995	230,818	61,971	15,171	307,960
Charged in year	34,674	12,588	3,133	50,395
Disposals	(1,750)	-	(14,804)	(16,554)
At 30th April 1996	263,742	74,559	3,500	341,801
<u>Net Book Value</u>				
At 30th April 1995	220,739	31,023	10,133	261,895
At 30th April 1996	384,329	101,784	4,500	490,613

3. <u>Creditors</u>	<u>1996</u>	<u>1995</u>
Creditors include		
Bank Loans and Overdrafts	41,289	81,487

The company's bankers hold a cross guarantee and debenture by Chase Products Limited, Primasil Limited and Primasil Technology Limited.

The bank overdraft and loan are secured by a mortgage debenture over the company's fixed and floating assets.

4. <u>Called-Up Share Capital</u>		
Authorised		
50,000 Ordinary Shares of £1 each	50,000	50,000
5,000 3% Non Cumulative Preference Shares of £1 each	5,000	5,000
	55,000	55,000
Allotted, Called Up and Fully Paid		
50,000 Ordinary Shares of £1 each	50,000	50,000
5,000 3% Non Cumulative Preference Shares of £1 each	5,000	5,000
	55,000	55,000

5. Directors' Interests

During the year the company undertook a number of transactions with its fellow subsidiary Primasil Technology Limited and its holding company Chase Products Limited. The directors of Primasil Limited are also directors of Primasil Technology Limited and Mr. & Mrs. Wheeler are directors of Chase Products Limited.