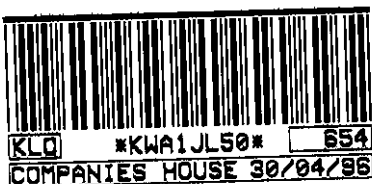


NORTH DOWNS INSTRUMENT COMPANY LIMITED

ABBREVIATED FINANCIAL STATEMENTS

30 JUNE 1995

DIRECTORS:	A.D. Gordon Mrs J.A. Gordon
COMPANY SECRETARY:	Mrs J.A. Gordon
REGISTERED OFFICE:	Sterling House 165-181 Farnham Road Slough Berkshire SL1 4XP
BANKERS:	Lloyds Bank plc Old Bond Street Branch 39 Old Bond Street London W1X 4BH
AUDITORS:	Haines Watts Sterling House 165-181 Farnham Road Slough Berkshire SL1 4XP



Auditors' Report

to North Downs Instrument Company Limited

pursuant to 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 financial statements of North Downs Instrument Company Limited for the year ended 30 June 1995. The scope of our work for the purpose of this report was limited to confirming whether the company is entitled to the exemptions claimed in the directors' statement and that the abbreviated accounts have been properly prepared from the full financial statements.

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.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements.

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 30 June 1995 and the abbreviated accounts have been properly prepared in accordance with that Schedule.

Other information

On 30 April 1996, we reported, as auditors of North Downs Instrument Company Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1995 and our audit report was as follows:

Auditors' Report

to North Downs Instrument Company Limited

pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

We have audited the financial statements on pages 4 to 10, which have been prepared under the historical cost convention and on the basis of the accounting policies set-out on page 7.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors 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 company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we consider 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 the information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1995 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.



Haines Watts
Chartered Accountants
and Registered Auditors
30 April 1996

Sterling House
165-181 Farnham Road
Slough
Berkshire
SL1 4XP

North Downs Instrument Company Limited

Abbreviated Balance Sheet

As At 30 June 1995

	Notes	1995 £	1995 £	1994 £	1994 £
Fixed Assets					
Tangible fixed assets	2		75,809		109,919
Current Assets					
Stock		34,968		45,278	
Debtors		150,515		179,051	
Cash at bank and in-hand		74,626		98,194	
		260,109		322,523	
Creditors:					
Amounts falling due within one year		(194,452)		(294,758)	
Net Current Assets			65,657		27,765
Total Assets Less Current Liabilities			141,466		137,684
Capital and Reserves					
Share capital	3		23,100		23,100
Profit and loss account			118,366		114,584
			141,466		137,684

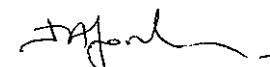
The directors have taken advantage in the preparation of these accounts of special exemptions conferred by section A of Part 1 of Schedule 8 to the Companies act 1985 on the basis that the company qualifies as a small company.

In preparing these financial statements, we rely on sections 246 and 247 of the Companies Act 1985 as entitling us to deliver abbreviated financial statements and we do so on the grounds that this company is entitled to the benefit of those sections as a small company.

The accounts were approved by the board on 2 April 1996.



A.D. Gordon
Director



Mrs J.A. Gordon
Director

North Downs Instrument Company Limited

Notes to the Abbreviated Financial Statements

30 June 1995

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared under the historical cost convention and incorporate the results of the principle activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption in Financial Reporting Standards Number 1 from producing a cash flow statement on the basis that it is a small company.

Tangible Fixed Assets

The cost of fixed assets is written off in annual instalments over their expected useful lives as follows:

Long leasehold property	2% per annum straight line basis
Plant & equipment	15% per annum reducing balance
Motor vehicles	25% per annum reducing balance
Office equipment	25% per annum reducing balance
Workshop	10% per annum reducing balance

Stock

Stock consists of bought in items, all of which are valued at the lower of cost or net realisable value. Cost approximates to invoiced cost on a FIFO basis. Provision is made where necessary for obsolescent, slow moving and defective stocks.

Deferred Taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

North Downs Instrument Company Limited

Notes to the Abbreviated Financial Statements

30 June 1995

2 Fixed Assets

	Tangible Fixed Assets £
Cost	
At 1st July 1994	169,513
Additions	2,801
Disposals	(59,752)
At 30th June 1995	<u>112,562</u>
Depreciation and amortisation	
At 1st July 1994	59,594
Provided for year	8,330
Disposals	(31,171)
At 30th June 1995	<u>36,753</u>
Net Book Value	
At 30th June 1995	<u>75,809</u>
At 30th June 1994	<u>109,919</u>

3 Called-up Share Capital

	Number	£
Authorised		
Ordinary shares of £1 each	2,000	2,000
Redeemable Preferred Ordinary shares of £1 each	<u>23,000</u>	<u>23,000</u>
Allotted, called-up and fully paid		
Ordinary shares of £1 each	100	100
Redeemable Preferred Ordinary Shares of £1 each - Redemption at face value is at the option of the company with no set dates for redemption	<u>23,000</u>	<u>23,000</u>