

Company Number: 1425918

NORTH DOWNS
INSTRUMENT COMPANY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30 JUNE 1996

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



North Downs Instrument Company Limited

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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 1996. 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 1996 and the abbreviated accounts have been properly prepared in accordance with that Schedule.

Other information

On 14 April 1997 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 1996 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 3 to 9, which have been prepared under the historical cost convention and on the basis of the accounting policies set-out on page 6.

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.

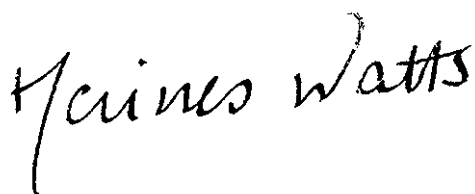
Basis of opinion

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 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 the company's affairs as at 30 June 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.



**Haines Watts
Chartered Accountants
and Registered Auditors**

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

14, April 1997

North Downs Instrument Company Limited

Abbreviated Balance Sheet

as at 30 June 1996

	Notes	1996 £	1995 £
Fixed Assets			
Intangible assets	2	99,583	-
Tangible assets	2	85,144	75,809
		<u>184,727</u>	<u>75,809</u>
Current Assets			
Stock		33,394	34,968
Debtors		349,061	150,515
Cash at bank and in hand		20,499	74,626
		<u>402,954</u>	<u>260,109</u>
Creditors: Amounts falling due within one year		<u>(444,201)</u>	<u>(194,452)</u>
Net Current (Liabilities)/Assets		<u>(41,247)</u>	<u>65,657</u>
Total Assets Less Current Liabilities		<u>143,480</u>	<u>141,466</u>
Capital and Reserves			
Called-up share capital	3	23,100	23,100
Profit and loss account		120,380	118,366
		<u>143,480</u>	<u>141,466</u>
Shareholders' funds - equity interests		<u>143,480</u>	<u>141,466</u>

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.

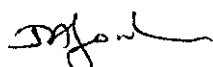
The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

In 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 8/4/97



A.D. Gordon



Mrs J.A. Gordon

North Downs Instrument Company Limited

Notes to the Abbreviated Financial Statements

30 June 1996

1 Principal Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

Intangible Assets

Purchased goodwill is amortised on a straight-line basis over its estimated useful economic life of 20 years. The useful economic life of goodwill is subject to an annual review by the directors. Any permanent diminution arising from the annual review of goodwill is charged to the profit and loss account for the year.

Tangible 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.

Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

North Downs Instrument Company Limited

Notes to the Abbreviated Financial Statements

30 June 1996

2 Fixed Assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 July 1995	-	112,562	112,562
Additions	100,000	20,534	120,534
At 30 June 1996	100,000	133,096	233,096
Depreciation			
At 1 July 1995	-	36,753	36,753
Provided for year	417	11,199	11,616
At 30 June 1996	417	47,952	48,369
Net Book Value			
At 30 June 1996	99,583	85,144	184,727
At 30 June 1995	-	75,809	75,809

3 Called-up Share Capital

Authorised	Number	£
Ordinary shares of £1 each	2,000	2,000
Redeemable Preferred Ordinary shares of £1 each	23,000	23,000
Allotted, called-up and fully paid	Number	£
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	23,000	23,000