

AIRSEA CONTAINERS LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1997

PANNELL KERR FORSTER
Chartered Accountants



AIRSEA CONTAINERS LIMITED

CONTENTS

	Page
REPORT OF THE AUDITORS	1
ABBREVIATED BALANCE SHEET	2
NOTES TO THE ABBREVIATED ACCOUNTS	3 - 4

**AUDITORS' REPORT TO
AIRSEA CONTAINERS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of the company for the year ended 31 July 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

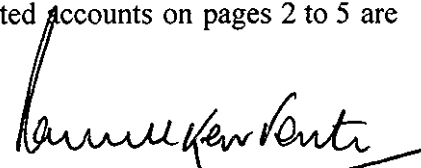
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar and whether the accounts are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

Liverpool
18 March 1998

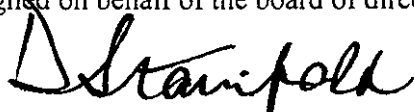
AIRSEA CONTAINERS LIMITED
ABBREVIATED BALANCE SHEET
31 JULY 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible	2	175,492	181,624
CURRENT ASSETS			
Stocks		343,843	314,465
Debtors		459,522	488,558
Cash at bank and in hand		977	477
		<u>804,342</u>	<u>803,500</u>
CREDITORS: amounts falling due within one year	3	<u>(318,927)</u>	<u>(494,679)</u>
NET CURRENT ASSETS		<u>485,415</u>	<u>308,821</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>660,907</u>	<u>490,445</u>
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(7,148)</u>	<u>(5,566)</u>
NET ASSETS		<u><u>653,759</u></u>	<u><u>484,879</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Profit and loss account		<u>652,759</u>	<u>483,879</u>
SHAREHOLDERS' FUNDS		<u><u>653,759</u></u>	<u><u>484,879</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the board on 18 March 1998

Signed on behalf of the board of directors



Donald Staniford

Director

AIRSEA CONTAINERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1997

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold buildings	2 % reducing balance
Plant, machinery, fixtures and fittings	15 % reducing balance
Motor vehicles	25 % reducing balance
Tooling	25 % straight line
Computers	33 % straight line

(d) Operating leases

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stocks and work in progress

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

(f) Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Revenue grants are released to profit over the life of the project to which they relate.

(g) Foreign currencies

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

AIRSEA CONTAINERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 1997

1 ACCOUNTING POLICIES (Continued)

(h) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

(i) Pensions

Pension costs represent contributions payable by the company. These contributions are invested in separate contracts for each employee. There are no contributions payable as at the year end.

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 August 1996	276,598
Additions	32,124
Disposals	(16,269)
At 31 July 1997	<u>292,453</u>
Depreciation	
At 1 August 1996	94,974
Charge for year	31,392
On disposals	(9,405)
At 31 July 1997	<u>116,961</u>
Net book amount	
At 31 July 1997	<u>175,492</u>
At 31 July 1996	<u>181,624</u>

3 CREDITORS

Creditors amounting to £21,805 (1996 - £243,556) are secured.

4 SHARE CAPITAL

	Authorised	Allotted, called up and	
	£	No.	fully paid £
At 1 August 1996 and 31 July 1997			
Ordinary shares of £1 each	<u>10,000</u>	<u>1,000</u>	<u>1,000</u>