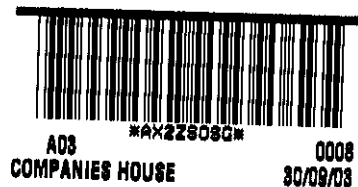


REGISTRAR'S COPY

Company Registration No. 1699180 (England and Wales)

CYGNUS INSTRUMENTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2002



CYGNUS INSTRUMENTS LIMITED

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 - 4

CYGNUS INSTRUMENTS LIMITED

AUDITORS' REPORT TO CYGNUS INSTRUMENTS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are 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 of Companies and whether the accounts to be delivered 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 to be delivered 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 4 are properly prepared in accordance with those provisions.



Kennedy Legg
Accountants and Registered Auditors

Stafford House
10 Prince of Wales Road
Dorchester
Dorset
DT1 1PW

1 September 2003

CYGNUS INSTRUMENTS LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	2		70,845		66,259
Current assets					
Stocks		119,894		120,434	
Debtors		273,293		273,096	
Cash at bank and in hand		197,372		137,557	
		<u>590,559</u>		<u>531,087</u>	
Creditors: amounts falling due within one year	3	<u>(359,373)</u>		<u>(323,697)</u>	
Net current assets			231,186		207,390
Total assets less current liabilities			302,031		273,649
Provisions for liabilities and charges			<u>(7,588)</u>		-
			<u>294,443</u>		<u>273,649</u>
Capital and reserves					
Called up share capital	4	80,000		80,000	
Profit and loss account		214,443		193,649	
Shareholders' funds		<u>294,443</u>		<u>273,649</u>	

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

The financial statements were approved by the board on 1 September 2003


P J Meech
Director

CYGNUS INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Machinery, small tools & equipment	20% on reducing balance
Office equipment, fixtures & fittings	20% on reducing balance
Motor vehicles	25% on reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.7 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no liability would have been recognised as the conditions for recognition would not have been satisfied.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

CYGNUS INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

2 Fixed assets

Tangible assets

	£
Cost	
At 1 January 2002	296,163
Additions	29,987
Disposals	(15,050)
At 31 December 2002	311,100
Depreciation	
At 1 January 2002	229,904
On disposals	(8,700)
Charge for the year	19,051
At 31 December 2002	240,255
Net book value	
At 31 December 2002	70,845
At 31 December 2001	66,259

3 Creditors: amounts falling due within one year

The company is party to an agreement with the bank which, if circumstances require, provides a reciprocal right of set off between itself, Surtest Limited and Surtest Marine Limited. In addition, there are unlimited cross guarantees in force between the company and Surtest Marine Limited.

The bank also holds mortgages secured on life insurance policies written on the lives of the directors.

	2002 £	2001 £
4 Share capital		
Authorised		
250,000 Ordinary shares of £ 1 each	250,000	250,000
Allotted, called up and fully paid		
80,000 Ordinary shares of £ 1 each	80,000	80,000

5 Ultimate parent company

The company was controlled through out the current and previous year by Surtest Marine Limited, who own 85% of the company's ordinary share capital.