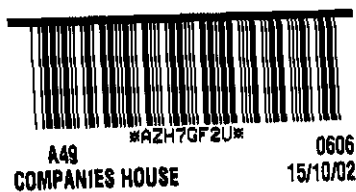


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WELDMET LIMITED
Abbreviated Financial Statements
for the year ended
30th June 2001



WELDMET LIMITED

Annual report and financial statements for the year ended 30th June 2001

Index to the Financial Statements

Page

1. Report of the auditors
 2. Abbreviated Balance sheet
 3. Notes forming part of the abbreviated financial statements
-

Company Information

Directors	B.R. Taylor J.B. Taylor
Secretary	P.J. Taylor
Registered office	Unit 8 55 Weir Road Durnsford Industrial Estate Wimbledon SW19 8UG
Registered number	1724649
Auditors	Myrus Smith Chartered Accountants and Registered Auditors Old Inn House 2 Carshalton Road Sutton Surrey SM1 4SR

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the full financial statements of the company for the year ended 30th June 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 audit 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 financial statements and that the abbreviated financial statements to be delivered have been 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 full financial statements.

Opinion

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

On 14th October 2002 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 30th June 2001 prepared under Section 226 of the Companies Act 1985, and our audit report was as follows:

' We have audited the financial statements of Weldmet Limited for the year ended 30th June 2001 on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the directors and auditors

As described in the director's report, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors' and the implications for our audit report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

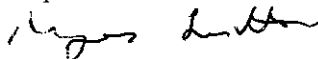
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because we were not appointed as auditors until after the stocktake, and therefore it was not possible to verify stock quantities at 30th June 2001. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

WELDMET LIMITED

Report of the Independent Auditors to Weldmet Limited pursuant to Section 247B of the Companies Act 1985
continued.

Qualified opinion arising from limitation of scope

Except for any adjustments that might have been found to be necessary had we been able to attend the stocktake, in our opinion the financial statements give a true and fair view of the state of affairs of the company's as at 30th June 2001 and its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



Myrus Smith
Chartered Accountants and Registered Auditors
Old Inn House
2 Carshalton Road
Sutton
Surrey
SM1 4SR

14th October 2002

WELDMET LIMITED

Balance sheet at 30th June 2001

	Note	2001	2000
		£	£
Fixed assets			
Tangible assets	2	12038	29249
Current assets			
Stocks		204521	194234
Debtors		317904	280242
Cash at bank and in hand		<u>15529</u>	<u>2403</u>
		537954	476879
Creditors			
Amounts falling due within one year	3	<u>411846</u>	<u>354440</u>
Net current assets		<u>126108</u>	<u>122439</u>
Total assets less current liabilities		<u>138146</u>	<u>151688</u>
Creditors			
Amounts falling due after one year	4	0	1965
		<u>138146</u>	<u>149723</u>
Capital and reserves			
Called up share capital	5	200	200
Capital reserve		900	900
Profit and loss account		137046	148623
		<u>138146</u>	<u>149723</u>

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

B.R. Taylor
Director



These accounts were approved by the Board on

8th October 2002

The notes on pages 3 and 4 form part of these financial statements.

1. Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standards for Smaller Entities (effective March 2000).

Turnover

Turnover represents invoiced sales less credit notes, excluding value added tax.

Depreciation of Tangible Fixed Assets

Depreciation is provided to write off the cost less estimated residual values of all fixed assets over their expected useful lives. It is calculated on the original cost of the assets at the following rates:

Leasehold land and buildings	Over five years
Fixtures, fittings & equipment	20%-25% per annum
Motor vehicles	25% per annum

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on an average basis. Net realisable value is based on estimated selling price less further costs to completion and disposal.

Hire Purchase and Leasing Commitments

Where assets are financed by hire purchase or leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The assets are capitalised and the obligation to the finance provider is treated as a creditor. Depreciation on the relevant assets is charged to the profit and loss account.

Payments to the finance provider are analysed between capital and interest using the straight-line method. The interest is charged to the profit and loss account. The capital part reduces the amounts payable to the finance provider. All other leases are treated as "operating leases". Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

The company operates a defined contribution pension scheme. The assets are held separately from those of the company in an independently administered fund. Contributions paid by the company are charged to the profit and loss account in the year in which they become payable.

WELDMET LIMITED

Notes forming part of the financial statements for the year ended 30th June 2001
(continued)

2. Tangible assets	Leasehold Property	Fixtures, Fittings & Equipment	Motor Vehicles	Total
Cost				
At 1st July 2000	14216	28833	74414	117463
Additions	0	3948	0	3948
Disposals	0	0	-29469	-29469
At 30th June 2001	<u>14216</u>	<u>32781</u>	<u>44945</u>	<u>91942</u>
Depreciation				
At 1st July 2000	14216	18017	55981	88214
Provided for the year	0	6970	2314	9284
On disposal	0	0	-17594	-17594
At 30th June 2001	<u>14216</u>	<u>24987</u>	<u>40701</u>	<u>79904</u>
Net book values at				
At 1st July 2000	<u>0</u>	<u>10816</u>	<u>18433</u>	<u>29249</u>
At 30th June 2001	<u>0</u>	<u>7794</u>	<u>4244</u>	<u>12038</u>

All the motor vehicles referred to above were held under finance leases.

3. Creditors: Amounts falling due within one year

Included within the figure of creditors falling due within one year is an amount of £110,357 (2000 - £63,792) which is secured on the trade debtors of the company.

Obligations under hire purchase contracts and finance leases are secured on the assets concerned. The liability was £1,916 (2000: £8,734).

4. Creditors: Amounts falling due after one year	2001 £	2000 £
Hire Purchase	<u>0</u>	<u>1965</u>
	<u>0</u>	<u>1965</u>

5. Share capital

	2001		2000	
	Authorised £	Called up £	Authorised £	Called up £
Ordinary shares of £1 each	<u>1,000</u>	<u>200</u>	<u>1,000</u>	<u>200</u>

6. Related party transactions

Details of related party transactions occurring during the year were as follows:

Related Party	Relationship	Details	Amount	Balance
Year ended 30th June 2001				
G.L. Taylor & Co	Family member	Accountancy Services	3600	0
Year ended 30th June 2000				
G.L. Taylor & Co	Family member	Accountancy Services	3600	0

7. Transactions involving directors

During the year the company sold a motor vehicle to Mr J.B. Taylor for an independently assessed amount of £6,000.

Loans to directors

8. During the year interest free loans were granted as follows:

	Opening Balance	Maximum Balance	Closing Balance
Mr B.R. Taylor	0	2340	0
Mr J.B. Taylor	1366	4365	1606