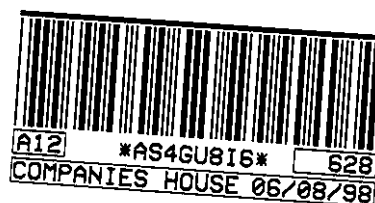


# ELPRO LIMITED

## ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997



COMPANY NUMBER: 01754163 (ENGLAND AND WALES)

AUDITORS' REPORT TO ELPRO 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 1997 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 consider 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.

Walker & Sutcliffe

Walker & Sutcliffe  
Chartered Accountants and Registered Auditors  
12 Greenhead Road  
HUDDERSFIELD  
HD1 4EN

30 June 1998

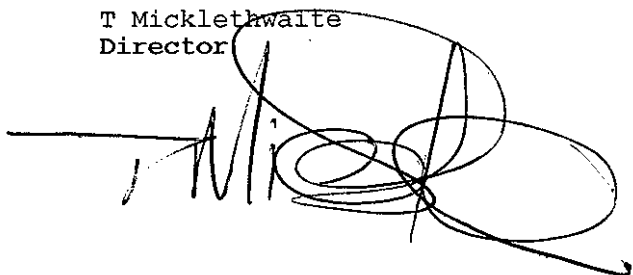
ELPRO LIMITEDABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1997

|  | <u>Notes</u> | <u>1997</u>   | <u>1996</u>   |
|--|--------------|---------------|---------------|
| FIXED ASSETS                                   |              |               |               |
| Tangible Assets                                | 2            | 28921         | 29001         |
| CURRENT ASSETS                                 |              |               |               |
| Stocks   | 201430       | 128302        |               |
| Debtors  | 347568       | 291641        |               |
| Cash at Bank and in Hand                       | 42802        | 111794        |               |
|  |              | <hr/>         | <hr/>         |
|  |              | 591800        | 531737        |
| CREDITORS: Amounts falling due within one year | 3            | <hr/> 133282  | <hr/> 134020  |
| NET CURRENT ASSETS                             |              | <hr/> 458518  | <hr/> 397717  |
| Total Assets Less Current Liabilities          |              | 487439        | 426718        |
| PROVISIONS FOR LIABILITIES AND CHARGES         |              |               |               |
| Deferred Taxation                              |              | 1000          | 1000          |
| NET ASSETS                                     |              | <hr/> £486439 | <hr/> £425718 |
| CAPITAL AND RESERVES                           |              |               |               |
| Called Up Share Capital                        | 3            | 500           | 500           |
| Profit and Loss Account                        |              | 485939        | 425218        |
|  |              | <hr/>         | <hr/>         |
| SHAREHOLDERS' FUNDS (all equity)               |              | <hr/> £486439 | <hr/> £425718 |

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

The abbreviated accounts were approved by the board on 30 June 1998 and signed on their behalf.

T Micklethwaite  
Director



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

ELPRO LIMITEDNOTES TO ABBREVIATED ACCOUNTSFOR THE YEAR ENDED 31 DECEMBER 19971. ACCOUNTING POLICIESBASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements are prepared under the historical cost convention and include the results of the company's operations as described in the Directors' Report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

TANGIBLE FIXED ASSETS AND DEPRECIATION:

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life on the following bases:-

|                       |  |
|-----------------------|--|
| Motor Vehicles        | At 25% per annum on the reducing balance |
| Fixtures and Fittings | At 25% per annum on the reducing balance |
| Plant and Machinery   | At 20% per annum on the reducing balance |

STOCKS:

Stocks are stated at the lower of cost and net realisable value as follows:-

|  |   |
|--|---|
| Raw Materials                          | - on purchase cost on a first in first out basis  |
| Work in progress<br>and Finished Goods | - Cost of direct materials and labour plus<br>attributable overheads based on the normal<br>of activity |

TURNOVER:

The turnover and pretax profit are attributable to the principle activity of the company carried out wholly in the United Kingdom.

DEFERRED TAXATION:

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability will crystallise in the near future.

ELPRO LIMITED  
NOTES TO ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1997

Cont'd

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2. FIXED ASSETS

Tangible  
Fixed Assets

|                     |        |
|---------------------|--------|
| Cost                |        |
| At 1 January 1997   | 91034  |
| Additions           | 8223   |
|                     | <hr/>  |
| At 31 December 1997 | 99257  |
|                     | <hr/>  |
| Depreciation        |        |
| At 1 January 1997   | 62033  |
| Charge for Year     | 8303   |
|                     | <hr/>  |
| At 31 December 1997 | 70336  |
|                     | <hr/>  |
| Net Book Values     |        |
| At 31 December 1997 | £28921 |
|                     | <hr/>  |
| At 31 December 1996 | £29001 |
|                     | <hr/>  |

3. CALLED UP SHARE CAPITAL

|                                    |             |             |
|------------------------------------|-------------|-------------|
|                                    | <u>1997</u> | <u>1996</u> |
| Authorised                         |             |             |
| 1000 Ordinary Shares of £1 Each    | £1000       | £1000       |
| Allotted, Called Up and Fully Paid |             |             |
| 500 Ordinary Shares of £1 Each     | £500        | £500        |

4. TRANSACTIONS WITH THE DIRECTORS

Mr T Micklethwaite is also a director of Intrex Limited with which company the following transactions were made, at arm's length and including VAT.

|           |             |             |
|-----------|-------------|-------------|
|           | <u>1997</u> | <u>1996</u> |
| Sale      | 73518       | 71587       |
| Purchases | 13451       | 9257        |

5. HOLDING COMPANY

The company is wholly owned subsidiary of Saftronics 2S Limited, which is incorporated in the United Kingdom.