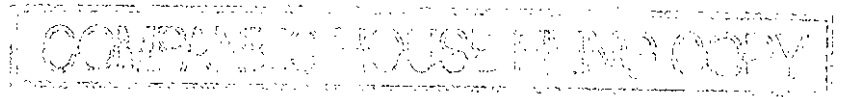


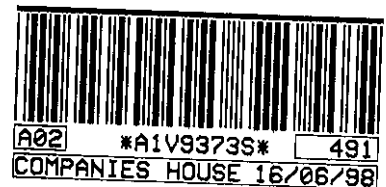
Registered Number 1772660
England and Wales



CORBY HOSE AND HYDRAULICS LIMITED

ABBREVIATED ACCOUNTS

31ST MARCH 1998



SMITH, HODGE & BAXTER

Chartered Accountants

AUDITORS' REPORT TO CORBY HOSE AND HYDRAULICS 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 full statutory accounts of Corby Hose and Hydraulics Limited for the year ended 31st March 1998 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.

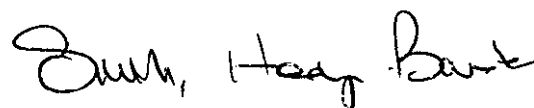
BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, 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 for dealing with events after the date of our report on the full statutory accounts.

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.

Rowan House
Medlicott Close
Oakley Hay
CORBY
Northants NN18 9NF



SMITH HODGE AND BAXTER
Chartered Accountants and
Registered Auditors
15th June 1998

CORBY HOSE AND HYDRAULICS LIMITED**ABBREVIATED BALANCE SHEET AS AT 31ST MARCH 1998**

	<u>NOTES</u>	<u>1998</u>	<u>1997</u>
FIXED ASSETS			
Tangible	2	13,469	17,744
CURRENT ASSETS			
Stocks		97,290	95,460
Debtors		84,496	95,436
Cash at bank and in hand		50,981	45,238
		<hr/>	<hr/>
		232,767	236,134
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		<hr/>	<hr/>
		167,529	182,394
		<hr/>	<hr/>
NET CURRENT ASSETS		65,238	53,740
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 78,707	£ 71,484
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	3	100	100
Profit and loss account		78,607	71,384
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		£ 78,707	£ 71,484
		<hr/>	<hr/>

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

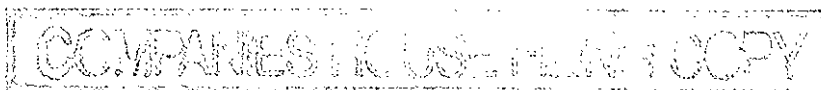
The accounts were approved by the Board of Directors on 15th June 1998.


S W ROBERTS


A ROBERTS


K P LATTIMER

DIRECTORS



CORBY HOSE AND HYDRAULICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - 31ST MARCH 1998

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts for the year ended 31st March 1998 have been prepared under the historical cost convention.

b) Going concern

The accounts have been prepared on the going concern basis. The company acts as guarantor for the bank borrowings of Hightrack Company Limited and valuable security has been given by the company. At 31st March 1998 the amount guaranteed was £181,842 (1997: £196,236).

The directors are of the opinion, having regard to their knowledge of the results, state of affairs and future prospects of Hightrack Company Limited that the possibility of any liability under the guarantee crystallising in the foreseeable future is remote.

c) Tangible fixed assets

Depreciation has been provided at the following annual rates in order to reduce each asset to its estimated residual value at the end of its period of use:

Motor vehicle	-	25% of written down value
Plant and equipment	-	10% of cost
Fixtures and fittings	-	10% of cost
Office equipment	-	10% or 25% of cost

d) Stock

Stock is valued at the lower of cost and net realisable value. Cost is computed at the average price of stocks held at the year end on a first in first out basis. Net realisable value is estimated selling price after trade discounts.

e) Turnover

Turnover consists of net sales of goods and services at invoiced value excluding value added tax.

f) Hire purchase

The costs of assets held under hire purchase contracts are included within tangible fixed assets and depreciated at the appropriate rates. The capital elements of future payments are included in creditors and the interest elements are written off to the profit and loss account over the terms of the contracts.

g) Deferred taxation

The company accounts for deferred taxation by the liability method. No provision is necessary at 31st March 1998.

h) Pension costs

The company operates a pension scheme, the contributions to which are charged to profit and loss account as they fall due for payment.

CORBY HOSE AND HYDRAULICS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS - 31ST MARCH 1998****2. TANGIBLE FIXED ASSETS**

	<u>Total</u>
COST	
At 1st April 1997	47,167
Additions	243
	<hr/>
At 31st March 1998	£ 47,410
	<hr/>
ACCUMULATED DEPRECIATION	
At 1st April 1997	29,423
Charge for year	4,518
	<hr/>
At 31st March 1998	£ 33,941
	<hr/>
NET BOOK VALUES	
At 31st March 1998	£ 13,469
	<hr/>
At 31st March 1997	£ 17,744
	<hr/>

3. CALLED UP SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
Authorised		
100 Ordinary shares of £1 each	£ 100	£ 100
	<hr/>	<hr/>
Issued and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100
	<hr/>	<hr/>

4. TRANSACTIONS WITH DIRECTORS

During the year the company traded on an arms length basis with Hightrack Company Limited, a company in which Mr S W Roberts and Mrs A Roberts are materially interested as shareholders and directors and of which Mr K P Lattimer is a director. Sales and purchases of goods and services to and from Hightrack Company Limited amounted to £2,134 and £30,312 respectively for the year. Creditors include balances of £90,281 due to Hightrack Company Limited.