

SOR EUROPE LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2001



INDEPENDENT AUDITORS' REPORT TO SOR EUROPE 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 accounts of SOR EUROPE LIMITED for the year ended 31st December 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

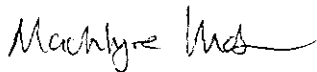
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985 and United Kingdom accounting standards. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared 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 procedures we considered 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 or dealing with events after the date of our report on the 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 5 are properly prepared in accordance with those provisions.



MacIntyre Hudson
Chartered Accountants and Registered Auditors
Greenwood House
4/7 Salisbury Court
London
EC4Y 8BT
Date: 5 April 2002

SOR EUROPE LIMITED


ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 2001

	Notes	£	2001 £	£	2000 £
Fixed assets	2				
Tangible fixed assets			1,774		4,989
Current assets					
Stock		24,124		20,488	
Debtors	3	915,726		1,021,946	
Cash at bank and in hand		410,555		241,911	
		<u>1,350,405</u>		<u>1,284,345</u>	
Creditors: amounts falling due within one year		<u>(145,870)</u>		<u>(165,536)</u>	
Net current assets			<u>1,204,535</u>		<u>1,118,809</u>
Total assets less current liabilities			<u>1,206,309</u>		<u>1,123,798</u>
Capital and reserves					
Share capital	4		30,000		30,000
Profit and loss account			1,176,309		1,093,798
Shareholders' funds			<u>1,206,309</u>		<u>1,123,798</u>

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

These abbreviated accounts were approved by the board on 3rd APRIL 2002 and signed on its behalf by:


P. F. Waters
Director

SOR EUROPE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

1 Accounting policies

Basis of accounting

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

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

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by the straight line method over their expected useful lives. The rates and periods generally applicable are:

Fixtures and fittings	10%, 20%, 33% per annum
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Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

Contribution to pension funds

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

SOR EUROPE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Related Party Transactions

Transactions of a similar nature, with similar related parties are disclosed on an aggregated basis.

2 Fixed assets

	Tangible fixed assets £	Total £
Cost		
At 1st January 2001	37,789	37,789
At 31st December 2001	37,789	37,789
Depreciation and amortisation		
At 1st January 2001	32,800	32,800
Charge for the year	3,215	3,215
At 31st December 2001	36,015	36,015
Net book value		
At 31st December 2001	1,774	1,774
<i>At 31st December 2000</i>	<i>4,989</i>	<i>4,989</i>

3 Debtors: amounts falling due after more than one year

Debtors include an amount of £453,564 (2000 £671,029) falling due after more than one year.

4 Share capital

	2001 £	2000 £
Authorised Equity shares		
100,000 Ordinary shares of £1.00 each	100,000	100,000
Allotted Equity shares		
30,000 Allotted, called up and fully paid ordinary shares of £1.00 each	30,000	30,000
	30,000	30,000

SOR EUROPE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

5 Ultimate Parent Company

The company is a subsidiary of SOR Controls Group Limited, incorporated in the United States of America. SOR Controls Group Limited is the ultimate parent company