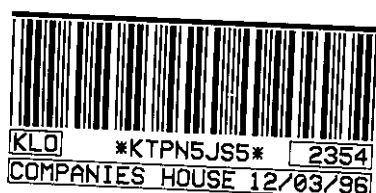


SOR EUROPE LIMITED

ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1995

Company No: 1810051 (England and Wales)



SOR EUROPE LIMITEDAUDITORS REPORT TO THE DIRECTORS OF SOR EUROPE LIMITEDPURSUANT TO SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full accounts of SOR Europe Limited for the year ended 31st December 1995. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 31st December 1995, and the abbreviated accounts have been properly prepared from the full accounts.

On 11th March 1996 we reported as auditors of SOR Europe Limited to the shareholders on the full financial statements required by Section 226 of the Companies Act 1985 for the year ended 31st December 1995 and our audit report was as follows:

AUDITORS' REPORT TO THE SHAREHOLDERS OF SOR EUROPE LIMITED

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

Respective responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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.

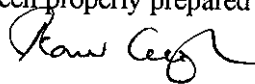
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1995, and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

42 London Road
Horsham
West Sussex RH12 1AY

11th March 1996


STONER COTTINGHAM

Chartered Accountants

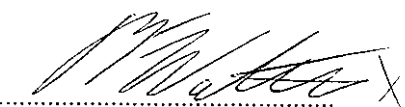
Registered Auditors

SOR EUROPE LIMITEDABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
<u>FIXED ASSETS:</u>	£	£	£
Tangible assets	2	65,759	95,082
<u>CURRENT ASSETS:</u>			
Stock and work-in-progress	167,192	221,660	
Debtors	327,499	523,903	
Cash at bank and in hand	<u>399,722</u>	<u>76,063</u>	
	894,413	821,626	
<u>CREDITORS:</u> Amounts falling due within one year:	<u>(243,677)</u>	<u>(284,274)</u>	
Net current assets		<u>650,736</u>	<u>537,352</u>
Total assets less current liabilities		716,495	632,434
<u>CREDITORS:</u> Amounts falling due after more than one year:		—	<u>(2,386)</u>
Net assets		<u>716,495</u>	<u>630,048</u>
<u>CAPITAL AND RESERVES:</u>			
Called up share capital	3	30,000	30,000
Profit and loss account		<u>686,495</u>	<u>600,048</u>
Shareholders' funds		<u>716,495</u>	<u>630,048</u>

The directors have taken advantage of the exemptions conferred by Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved and signed by the Board of Directors on 8th March 1996

X  X
P F Waters, Esq - Director

SOR EUROPE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1995

1 ACCOUNTING POLICIES:

1.1 Accounting Convention:

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

1.2 Turnover:

Turnover represents the invoiced value of goods supplied, net of Value Added Tax.

1.3 Tangible Fixed Assets:

Depreciation is provided at rates calculated to write off the cost or valuation of the asset less estimated residual value, over its expected useful life as follows:

Motor Vehicles	20% and 33 1/3rd% per annum straight line
Plant and Machinery	10% per annum straight line
Office Equipment	10% and 20% per annum straight line
Improvements to Property	10% per annum straight line

1.4 Stocks:

Stocks and work-in-progress are valued at the lower of cost, and net realisable value, after making due allowance for obsolete and slow moving items. Stock is valued in sterling at the month of acquisition on a first in first out basis.

1.5 Foreign Exchange:

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the end of the month in which they took place. Exchange differences are taken into account in arriving at the operating profit.

1.6 Pensions:

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.7 Cash Flow:

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

1.8 Hire Purchase:

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and are depreciated over 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 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.

SOR EUROPE LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1995
(CONTINUED)1 ACCOUNTING POLICIES: (continued)1.9 Operating Leases:

Rental costs under operating leases are charged to the Profit and Loss Account as incurred.

1.10 Deferred Taxation:

Provision is made by the liability method of all timing differences which are expected to be reversed in the foreseeable future.

2 FIXED ASSETS:Tangible Fixed AssetsCOST:

£

At 1st January 1995	282,071
Additions	3,920
Disposals	(46,467)
At 31st December 1995	239,524

DEPRECIATION:

At 1st January 1995	186,989
Charge for year	28,210
Disposals	(41,434)
At 31st December 1995	173,765

NET BOOK VALUES:

At 31st December 1995	<u>65,759</u>
At 31st December 1994	<u>95,082</u>

3 CALLED UP SHARE CAPITAL:

	<u>1995</u>	<u>1994</u>
	£	£
Authorised: 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and fully paid: 30,000 ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

SOR EUROPE LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1995
(CONTINUED)4 ULTIMATE HOLDING 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 holding company.