



BM MAGNETICS (UK) LIMITED

ABBREVIATED ACCOUNTS

for the year from 1 January 1997 to 31 December 1997

Company number : 2328648

BENTLEY JENNISON

CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

AUDITORS' REPORT TO BM MAGNETICS (UK) LIMITED
UNDER SECTION 247 B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, 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

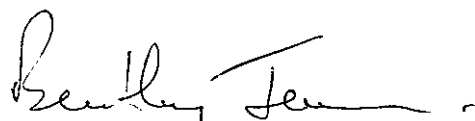
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 5 are properly prepared in accordance with those provisions.



Bentley Jennison
Chartered Accountants
and Registered Auditors

23 September 1998

Chapel House
Westmead Drive
Westlea
Swindon SN5 7UW

BM MAGNETICS (UK) LIMITED

Abbreviated balance sheet at 31 December 1997

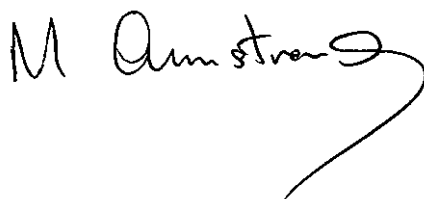
	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	2	25,082	31,605
CURRENT ASSETS			
Stocks		83,491	80,437
Debtors		99,632	150,632
Cash at bank and in hand		86,473	77,977
		269,596	309,046
CREDITORS : Amounts falling due within one year	3	(131,895)	(183,971)
NET CURRENT ASSETS		137,701	125,075
TOTAL ASSETS LESS CURRENT LIABILITIES		162,783	156,680
CREDITORS : Amounts falling due after more than one year	3	-	(8,340)
NET ASSETS		162,783	148,340
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		162,683	148,240
SHAREHOLDERS' FUNDS		162,783	148,340

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the Board on 23 September 1998 and signed on its behalf by:

M T Armstrong

Director



BM MAGNETICS (UK) LIMITED**Notes to the abbreviated accounts
for the year ended 31 December 1997****1 ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Depreciation

Depreciation is calculated to write off fixed assets over their estimated useful lives as follows:

Motor vehicles	25% Reducing balance per annum
Plant & equipment	25% Reducing balance per annum
Fixtures & fittings	25% Reducing balance per annum

Leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated in accordance with the company's depreciation policy. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease or hire purchase contract and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Stocks

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

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates and the exchange differences are included in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

BM MAGNETICS (UK) LIMITED

Notes to the abbreviated accounts
for the year ended 31 December 1997

2 FIXED ASSETS

	Tangible fixed assets £
Cost	
1 January 1997	61,393
Additions	1,710
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31 December 1997	63,103
	<hr/>
Depreciation	
1 January 1997	29,788
Charge for the year	8,233
	<hr/>
31 December 1997	38,021
	<hr/>
Net book value	
31 December 1997	25,082
	<hr/> <hr/>
31 December 1996	31,605
	<hr/> <hr/>

3 CREDITORS

	1997 £	1996 £
Creditors include secured liabilities		
On assets under finance leases and hire purchase contracts :		
Payable within five years	8,340	12,004
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BM MAGNETICS (UK) LIMITED

Notes to the abbreviated accounts
for the year ended 31 December 1997

4 CALLED UP SHARE CAPITAL

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

5 ULTIMATE HOLDING COMPANY

The company's ultimate parent undertaking at the balance sheet date was
Bakker Holding Son. BV.