

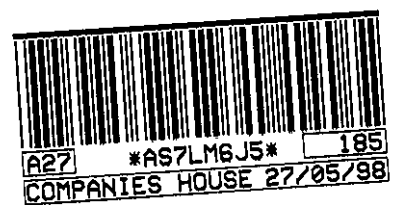
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ENGINEERING CONTROL SUPPLIES LIMITED

Company no. 02492970

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 1997



**AUDITOR'S REPORT TO ENGINEERING CONTROL SUPPLIES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

I 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 July 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 246A of the Companies Act 1985. It is my 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 my opinion to you.


Basis of opinion

I have carried out the procedures considered 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 my work for the purpose of this report did not include examining or dealing with events after the date of my report on the financial statements

Opinion

In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the company's Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

24 Cornwall Road
Dorchester
Dorset DT1 1RX


NIGEL WOODRUFF
Chartered Accountant
Registered Auditor

19 May 1998

ENGINEERING CONTROL SUPPLIES LIMITED

BALANCE SHEET

31 JULY 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Intangible assets	2	3,066	3,744
Tangible assets	3	<u>46,533</u>	<u>50,443</u>
		<u>49,599</u>	<u>54,187</u>
CURRENT ASSETS			
Stocks		86,309	93,743
Debtors due within one year		97,343	120,828
Cash at bank and in hand		<u>148,926</u>	<u>157,028</u>
		<u>332,578</u>	<u>371,599</u>
CREDITORS: Amounts falling due within one year		<u>(243,561)</u>	<u>(267,649)</u>
NET CURRENT ASSETS		<u>89,017</u>	<u>103,950</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>138,616</u>	<u>158,137</u>
CAPITAL AND RESERVES			
Called-up share capital	4	402	402
Profit and loss account		<u>138,214</u>	<u>157,735</u>
		<u>138,616</u>	<u>158,137</u>

Statement by the directors

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

Approved by the board on: 19 May 1998

R JONES

(Director)

The notes set out on pages 3 to 5 form part of these financial statements

ENGINEERING CONTROL SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JULY 1997

1 ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Motor vehicles	- 25% reducing balance basis
Plant and machinery	- 15% reducing balance basis
Fixtures and fittings	- 15% reducing balance basis

The cost or valuation, less estimated residual values, of intangible fixed assets is amortised over their estimated useful lives to the business. The rates and methods used are as follows:

Patents and licences	- 10 year straight line basis
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(c) Stock and Work in Progress

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct materials, labour and attributable overheads. Net realisable value is based on estimated selling price, less any further costs of realisation.

(d) Pensions

The company operates a defined contribution pension scheme and contributions are charged to the profit and loss account for the year in which they are payable to the scheme. Any accruals or prepayments at the balance sheet date are treated in accordance with the normal accruals concept and are allocated to the period to which they relate.

(e) Deferred taxation

Provisions are made so that the deferred taxation account represents corporation tax, calculated on the liability method, in respect of the excess of tax allowances given for fixed assets over the depreciation provided.

ENGINEERING CONTROL SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JULY 1997

(f) Assets leased

Where the company enters into operating and/or finance leases, its policy is to regard leases as finance leases where their term give rights approximating to ownership.

Assets held under finance leases (including hire purchase contracts) are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after one year. Assets are depreciated over the shorter of the lease term and their useful economic life; in the case of assets held under hire purchase agreements they are depreciated over their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

Rentals under operating leases are charged on a straight-line basis over the lease term.

(g) Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cash flow statement for the year.

2 INTANGIBLE FIXED ASSETS

	Patents and licences
COST	£
At 1 August 1996	6,778
At 31 July 1997	<u>6,778</u>
AMORTISATION	
At 1 August 1996	3,034
Charge for the year	678
At 31 July 1997	<u>3,712</u>
NET BOOK VALUE	
At 31 July 1997	<u>3,066</u>
At 31 July 1996	<u>3,744</u>

ENGINEERING CONTROL SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JULY 1997

3 TANGIBLE FIXED ASSETS

	Motor vehicles	Plant and machinery	Fixtures and fittings	Total
COST	£	£	£	£
At 1 August 1996	8,485	57,958	7,559	74,002
Additions at cost	-	7,633	901	8,534
Applicable to disposals	-	(4,988)	(311)	(5,299)
At 31 July 1997	<u>8,485</u>	<u>60,603</u>	<u>8,149</u>	<u>77,237</u>
DEPRECIATION				
At 1 August 1996	2,329	18,392	2,838	23,559
Charge for the year	1,539	6,583	814	8,936
Released by disposals	-	(1,676)	(115)	(1,791)
At 31 July 1997	<u>3,868</u>	<u>23,299</u>	<u>3,537</u>	<u>30,704</u>
NET BOOK VALUE				
At 31 July 1997	<u>4,617</u>	<u>37,304</u>	<u>4,612</u>	<u>46,533</u>
At 31 July 1996	<u>6,156</u>	<u>39,567</u>	<u>4,720</u>	<u>50,443</u>
4 SHARE CAPITAL	Number 1997	Value 1997 £	Number 1996	Value 1996 £
Authorised:				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Issued and fully paid:				
Ordinary shares of £1 each	<u>402</u>	<u>402</u>	<u>402</u>	<u>402</u>