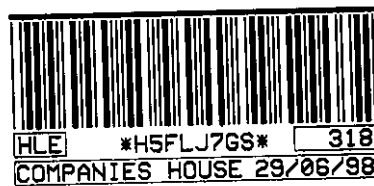


CUSTOMFLEX LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST AUGUST 1997

Registered number: 2496956



Downham Morris Mayer & Co
Registered Auditors

CUSTOMFLEX LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st August 1997

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CUSTOMFLEX LIMITED

Auditors' report to
Customflex Limited
under section 247B to the Companies Act 1985

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the financial statements of the company for the year ended 31st August 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

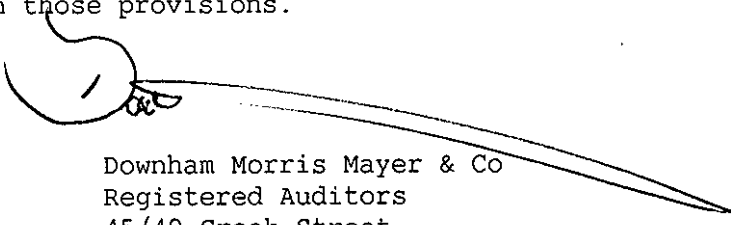
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

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



Downham Morris Mayer & Co
Registered Auditors
45/49 Greek Street
Stockport
Cheshire SK3 8AX


29th June 1998

CUSTOMFLEX LIMITED
 ABBREVIATED BALANCE SHEET
 at 31st August 1997

	Note	£	1997 £	£	1996 £
Fixed assets					
Intangible assets	2		—		11,620
Tangible assets	2		94,285		109,756
			<u>94,285</u>		<u>121,376</u>
Current assets					
Stocks and work in progress		170,355		157,269	
Debtors		35,591		45,297	
Cash in hand		302		1	
		<u>206,248</u>		<u>202,568</u>	
Creditors: amounts falling due within one year		(176,436)		(165,261)	
Net current assets			<u>29,812</u>		<u>37,306</u>
Total assets less current liabilities			<u>124,097</u>		<u>158,682</u>
Creditors: amounts falling due after more than one year	3		(52,875)		(1,773)
			<u>71,222</u>		<u>156,909</u>
Capital and reserves					
Called up share capital	4		194,500		194,500
Profit and loss account			(123,278)		(37,591)
Total shareholders' funds			<u>71,222</u>		<u>156,909</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 29th June 1998 and signed on its behalf by:


 M. Bullivant
 Director

CUSTOMFLEX LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st August 1997

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

On written down value	%
Motor vehicles	25
Plant and machinery	15
Fixtures and fittings	15
On cost	
Jigs and tools	20
Instruments	20

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

CUSTOMFLEX LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st August 1997

2 Fixed assets

Cost	Intangible fixed assets £	Tangible fixed assets £	Total £
1st September 1996	23,238	242,035	265,273
Additions	-	20,593	20,593
Disposals	-	(13,250)	(13,250)
31st August 1997	23,238	249,378	272,616
Depreciation			
1st September 1996	11,618	132,279	143,897
Charge for year	11,620	30,473	42,093
Disposals	-	(7,659)	(7,659)
31st August 1997	23,238	155,093	178,331
Net book amount			
31st August 1997	-	94,285	94,285
1st September 1996	11,620	109,756	121,376

3 Creditors: amounts falling due
after more than one year

1997

1996

Creditors include the following amounts:

Amounts falling due
within five years:

Loan

45,848

-

Obligations under finance leases
and hire purchase contracts:

In the next year

5,441

5,335

In the second to fifth year

7,027

1,773

12,468

7,108

The loan is repayable with interest at 2% over National Westminster Bank base rate but the terms of repayment have not yet been fixed.

CUSTOMFLEX LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st August 1997

4 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Equity capital				
(A) Ordinary shares				
Authorised	5000	5,000	5000	5,000
Issued and fully paid	5000	5,000	5000	5,000
Non equity capital				
(B) Cumulative redeemable preference shares				
Authorised, issued and fully paid	186000	186,000	186000	186,000
(C) Cumulative convertible participating preferred ordinary shares				
Authorised, issued and fully paid	3500	3,500	3500	3,500
	<u>194500</u>	<u>194,500</u>	<u>194500</u>	<u>194,500</u>