

Company Number: 2554477
(England and Wales)

DRIVELINE EUROPE LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31ST DECEMBER 1994

WHITTAKER & COMPANY
Chartered Accountants
Clifton House,
65, Castle Street,
Luton.
Bedfordshire.
LU1 3AG



DRIVELINE EUROPE LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 1994

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DRIVELINE EUROPE LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF
DRIVELINE EUROPE LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements applicable to small companies on pages 3 to 5 together with the full financial statements applicable to small companies of Driveline Europe Limited prepared under section 226 and section 246(1A) of the Companies Act 1985 for the year ended 31st December 1994.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements applicable to small companies, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. 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 financial statements applicable to small companies.

OPINION

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1994, and the abbreviated financial statements on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 15th May 1995 we reported, as auditors of Driveline Europe Limited, to the members on the financial statements applicable to small companies prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994, and our audit report was as follows:

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Director's Report, 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.

DRIVELINE EUROPE LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF
DRIVELINE EUROPE LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

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 affairs of the company as at 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Clifton House,
65, Castle Street,
Luton.
Bedfordshire.


Whittaker & Company
Chartered Accountants
Registered Auditors

15th May 1995

DRIVELINE EUROPE LIMITED

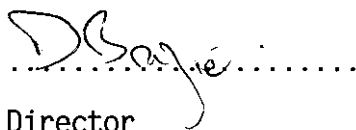
ABBREVIATED BALANCE SHEET
AS AT 31ST DECEMBER 1994

	<u>Notes</u>	£	1994	£	£	1993	£
FIXED ASSETS							
Tangible assets	2			44,669			57,052
CURRENT ASSETS							
Debtors			188,786			72,703	
Cash at bank and in hand			569,622			335,988	
			<u>758,408</u>			<u>408,691</u>	
CREDITORS: Amounts falling due within one year			<u>(694,666)</u>			<u>(369,909)</u>	
NET CURRENT ASSETS				<u>63,742</u>			<u>38,782</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				108,411			95,834
CREDITORS: Amounts falling due after more than one year				<u>(2,750)</u>			<u>(8,750)</u>
NET ASSETS				<u>105,661</u>			<u>87,084</u>
CAPITAL AND RESERVES							
Called up share capital	3			20,000			20,000
Profit and loss account				85,661			67,084
SHAREHOLDERS' FUNDS				<u>105,661</u>			<u>87,084</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that the company qualifies as a small company.

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of these financial statements and have done so on the grounds that the company qualifies as a small company.

The financial statements were approved by the directors on 12th May 1995
Signed on behalf of the board of directors by


.....

Director

The notes on pages 4 to 5 form part of these financial statements.

DRIVELINE EUROPE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

1.1 Basis of Accounting

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

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 Depreciation

Depreciation is provided at rates calculated to reduce, by annual instalments, the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Office and computer equipment	20%	Reducing balance
Motor vehicles	25%	Reducing balance

1.4 Deferred Taxation

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.5 Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the profit and loss account.

1.6 Leasing and Hire Purchase

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over their useful lives. Finance charges and interest are taken to the profit and loss account equally over the term of the agreement.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the agreement.

1.7 Pensions

Pension contributions are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company. These contributions are invested separately from the company's assets.

DRIVELINE EUROPE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1994

2. FIXED ASSETS

	<u>Tangible assets</u> £
<u>Cost</u>	
At 1st January 1994	72,162
At 1st January 1994 and At 31st December 1994	<u>72,162</u>
<u>Depreciation</u>	
At 1st January 1994	15,110
Charge for year	12,383
At 31st December 1994	<u>27,493</u>
<u>Net book value</u>	
At 31st December 1994	<u>44,669</u>
At 31st December 1993	<u>57,052</u>

3. SHARE CAPITAL

	<u>1994</u> £	<u>1993</u> £
<u>Authorised</u>		
Equity interests:		
100,000 Ordinary of £1 each	<u>100,000</u>	<u>100,000</u>
<u>Allotted, called up and fully paid</u>		
Equity interests:		
20,000 Ordinary of £1 each	<u>20,000</u>	<u>20,000</u>