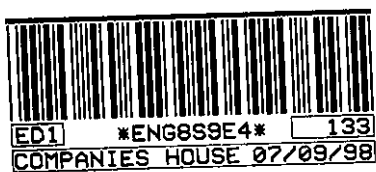


BODE ENGINEERING LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997
REGISTERED NUMBER 2580229

MITCHELL CHARLESWORTH
Chartered Accountants
MANCHESTER



BODE ENGINEERING LIMITED
DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 1997.

Principal Activities and Results

The company has neither traded nor derived any income in the period of these financial statements.

Directors

The following directors served during the year:-

C F Bode
C C Bode
D E Bode

All the directors are directors of F Bode and Son Limited which owns the entire share capital of the company.

Auditors

The auditors, Mitchell Charlesworth, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In the preparation of this directors' report we have relied on special exemptions available to small companies contained in the Companies Act 1985 on the grounds that the company is a small company.

This report was approved by the Board on 28 August 1998, taking advantage of special exemptions available to small companies.

Signed on behalf of the Board of Directors



D E Bode
Director

BODE ENGINEERING LIMITED
STATEMENTS OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and then apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:-

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Signed on behalf of the Board of Directors



D E Bode
Director

28 August 1998

Mitchell Charlesworth
Chartered Accountants
Fountain Court 68 Fountain Street Manchester M2 2FB

AUDITORS' REPORT

TO THE MEMBERS OF BODE ENGINEERING LIMITED

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

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 consider 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 at 31 December 1997, and have been properly prepared in accordance with the provisions of the Companies Act 1985.


Chartered Accountants
Registered Auditor

Manchester

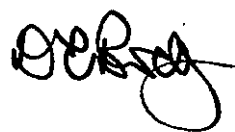
28 August 1998

BODE ENGINEERING LIMITED
BALANCE SHEET AS AT 31 DECEMBER 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
Current Assets			
Cash		2	2
		<u>£2</u>	<u>£2</u>
Capital and Reserves			
Called up share capital	2	2	2
Shareholders funds		<u>£2</u>	<u>£2</u>

The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

Approved by the Board of Directors on 28 August 1998 and signed on its behalf.



D E Bode
 Director

The notes on page 5 form part of these financial statements.

BODE ENGINEERING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

1. Accounting Policies

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

2. Called-Up Share Capital

	<u>1997</u>	<u>1996</u>
	£	£
Authorised:		
100 ordinary shares of £1 each	£100	£100
	<hr/>	<hr/>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	£2	£2
	<hr/>	<hr/>

3. Profit and Loss Account

As the company has not traded during the year, there are no transactions on profit and loss account.

The directors received no emoluments from the company during the year (1996: £Nil).

4. Parent Company

The company is a subsidiary undertaking of F Bode & Son Limited, a company registered in England & Wales.