

BRISTOL BENDING SANOH LIMITED
(Registered No: 2607806)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 MARCH 1997



BRISTOL BENDING SANOH LIMITED

DIRECTORS

J J Boulter	Chairman
A T Woodhead	Managing Director
S Igarashi	
S Yanami	(Resigned 8 July 1996)
S Motoyama	(Appointed 8 July 1996)
A Luke	(Resigned 10 January 1997)
M Viney	(Appointed 10 January 1997)

SECRETARY

M J Napper

AUDITORS

Price Waterhouse
31 Great George Street
Bristol
BS1 5QD

REGISTERED OFFICE

Grandeur Point
Fourth Way
Avonmouth
Bristol
BS11 8DL

BANKERS

Lloyds Bank Plc
14 Church Street
Sheffield
S1 1HP

BRISTOL BENDING SANOH LIMITED

CHAIRMAN'S REPORT

The financial results for the year show a significant increase on those achieved in 1995/96 but are somewhat mis-leading as the Company made substantial gains on foreign currency transactions as a result of the strength of sterling against the yen, whereas the results of both the preceding years had seen losses in the same areas of activity from sterling weakness against the yen. Nevertheless, whilst the total level of operating activity showed only a modest increase, the overall operating performance was progressive and satisfactory.

Our department manufacturing tubular components had another successful year although demand from its principal customers was below their expectations. Important ground work was continued for significant new business already obtained which commences production in September 1997 at a newly acquired facility but, in addition, other major new customers and model programmes were obtained which will further enhance the business over the next couple of years. Notwithstanding the addition of a new facility, contracts were also placed with a construction company to double the size of the original manufacturing plant which will be completed Spring 1998.

Our electroplating department recorded a small but useful profit for the year as a whole and continues to operate at the forefront of technical expertise in the UK for specialist surface coatings.

Prospects for the current financial year are that profits will not be as high as last year because sterling has weakened against the yen since March 1997, and because substantial costs will be incurred in 1997/98 in advance of the benefits in expanded activity which will not flow through in full until financial years 1998/1999 and 1999/2000. Nevertheless it is anticipated that the financial performance will be satisfactory.

J J Boulter
Chairman
22 September 1997

BRISTOL BENDING SANOH LIMITED

DIRECTORS' REPORT

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £718,000 (1996: £683,000). Having regard to the underlying operating performance of the company for the financial year 1996/97 the directors recommend the payment of a dividend of £156,000 (1996: £82,000) representing 10.0p on each ordinary share and each redeemable preference share.

The company also realised gains on exchange rate movements between the Japanese Yen and Pound Sterling rate which are exceptional in nature and to a large extent are merely the reverse of previous realised losses from such currency movements in previous years. It is not expected that these gains could be sustained over the longer term.

Therefore, the directors recommend the payment of a special dividend of £46,800 representing 3.0p on each ordinary share and each redeemable preference share for the financial year 1996/97. The retained profit of £515,000 (1996: £601,000) are to be transferred to reserves.

PRINCIPAL ACTIVITY

The principal activities of the company are the production of steel tubular automotive components and the provision of a specialised electroplating surface treatment.

DIRECTORS AND THEIR INTERESTS

The directors are listed on page 1.

None of the directors had an interest in the share capital of the company at the period end or at any time during the year.

Details of directors' interests in the share capital of the parent undertaking are disclosed in the accounts of that company.

BRISTOL BENDING SANOH LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give 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, the directors are required to

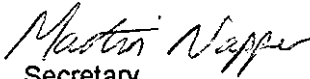
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Waterhouse, have indicated their willingness to remain in office, and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board


Secretary

22 September 1997

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF BRISTOL BENDING SANOH LIMITED

We have audited the financial statements on pages 6 to 20 which have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets and on the basis of the accounting policies set out on pages 10 and 11.

Respective responsibilities of directors and auditors

As described on page 4 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 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 the company's affairs as at 31 March 1997 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

**Chartered Accountants
and Registered Auditors**

22 September 1997

BRISTOL BENDING SANOH LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1997

	<u>Notes</u>	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
TURNOVER	2	5,833	6,451
Operating costs	3	<u>(4,756)</u>	<u>(5,602)</u>
OPERATING PROFIT	4	1,077	849
Interest payable	7	<u>(50)</u>	<u>(334)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,027	515
Tax (charge)/credit on profit on ordinary activities	8	<u>(309)</u>	<u>168</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		718	683
Dividends	9	<u>(203)</u>	<u>(82)</u>
RETAINED PROFIT FOR THE YEAR		<u>515</u>	<u>601</u>

All activities are continuing.

The notes on pages 10 to 20 form part of these financial statements.

BRISTOL BENDING SANOH LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

	<u>Notes</u>	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
FIXED ASSETS			
Tangible assets	10	2,327	2,241
CURRENT ASSETS			
Stocks	11	499	486
Debtors	12	705	1,525
Cash at bank and in hand		<u>1,083</u>	<u>32</u>
		2,287	2,043
CREDITORS: Amounts falling due within one year	13	<u>(1,855)</u>	<u>(2,003)</u>
NET CURRENT ASSETS		<u>432</u>	<u>40</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,759	2,281
CREDITORS: Amounts falling due after more than one year	14	<u>(472)</u>	<u>(638)</u>
		<u>2,287</u>	<u>1,643</u>
CAPITAL AND RESERVES			
Called up share capital	16	1,560	1,560
Revaluation reserve	17	128	-
Profit and loss account	17	<u>599</u>	<u>83</u>
TOTAL SHAREHOLDERS' FUNDS (including non-equity interests)	22	<u>2,287</u>	<u>1,643</u>
Total shareholders funds are analysed as follows:			
Equity		572	411
Non-equity		<u>1,715</u>	<u>1,232</u>
		<u>2,287</u>	<u>1,643</u>


J J Boulter
DIRECTOR

APPROVED BY THE BOARD
ON 22 SEPTEMBER 1997

The notes on pages 10 to 20 form part of these financial statements.

BRISTOL BENDING SANOH LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Profit for the financial year	515	601
Surplus arising on revaluation of plant and machinery	<u>129</u>	<u>-</u>
Total recognised gains and losses	<u>644</u>	<u>601</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Profit on ordinary activities before taxation	1,027	515
Difference between historical cost depreciation and the actual depreciation charge	<u>1</u>	<u>-</u>
Historical cost profit on ordinary activities before taxation	<u>1,028</u>	<u>515</u>
Historical cost profit for the year retained after taxation	<u>516</u>	<u>601</u>

The notes on pages 10 to 20 form part of these financial statements.

BRISTOL BENDING SANOH LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 1997**

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£'000	£'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	24A	2,021	725
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest received	29	-	-
Interest paid	(258)	(131)	(131)
Interest element of finance lease payments	<u>(20)</u>	<u>(38)</u>	<u>(38)</u>
		(249)	(169)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase of tangible fixed assets	(116)	(87)	(87)
Receipts from sale of tangible fixed assets	<u>10</u>	<u>13</u>	<u>13</u>
		(106)	(74)
Equity dividends paid		<u>(82)</u>	<u>-</u>
CASH INFLOW BEFORE FINANCING		1,584	482
FINANCING			
Repayment of loans	(100)	(100)	(100)
Capital element of finance lease payments	<u>(275)</u>	<u>(232)</u>	<u>(232)</u>
NET CASH (OUTFLOW) FROM FINANCING		<u>(375)</u>	<u>(332)</u>
NET CASH INFLOW FOR THE YEAR	24B	1,209	150

The notes on pages 10 to 20 form part of these financial statements.

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997

1 ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention modified for the revaluation of certain fixed assets and in accordance with applicable accounting standards.

b) Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Long leasehold land and buildings:	Over the lease term
Plant and machinery, and office equipment:	10% - 33 1/3 %
Motor vehicles:	35% (reducing balance)

c) Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value, as follows:

Raw materials:	Purchase cost on a first in, first out basis
Work in progress:	Cost of direct materials and labour, plus an appropriate proportion of attributable overheads based on the normal level of activity
Tooling:	Cost less amortisation.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion or disposal.

d) Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

1 ACCOUNTING POLICIES (continued)

e) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

f) Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

g) Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

Turnover is attributable to one activity, the manufacture of components for the UK car industry.

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

3 OPERATING COSTS

	<u>1997</u> £'000	<u>1996</u> £'000
Decrease in stocks of finished goods and work in progress	51	106
Raw materials and consumables	3,161	3,883
Staff costs (Note 5)	1,015	945
Depreciation of owned tangible fixed assets	126	103
Depreciation of assets held under finance leases and hire purchase contracts	84	124
Other operating charges	<u>319</u>	<u>441</u>
	<u>4,756</u>	<u>5,602</u>

4 OPERATING PROFIT

The operating profit is stated after charging:

Auditors' remuneration		4	4
Operating lease rentals:	land and buildings	9	9
	plant and equipment	11	11
	other	3	5
		<u> </u>	<u> </u>

5 STAFF COSTS

Wages and salaries	925	865
Social security costs	87	78
Other pension costs	<u>3</u>	<u>2</u>
	<u>1,015</u>	<u>945</u>

The total includes £ 13,373 (1996: £8,860) of capitalised labour costs. The average number of employees during the year was as follows:

	<u>1997</u> <u>Number</u>	<u>1996</u> <u>Number</u>
Hourly paid	57	57
Staff	<u>13</u>	<u>12</u>
	<u>70</u>	<u>69</u>

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

6 DIRECTORS' EMOLUMENTS

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Directors' emoluments, including pension contributions	41	53
	==	==
Emoluments of the highest paid director	35	34
	==	==

During the year ended 31 March 1997, the company has incurred costs of £18,750 (1996: £18,750) paid to Circuit & Hinchliffe Limited in respect of making available the services of a director.

7 INTEREST PAYABLE

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Bank interest receivable	(8)	-
Bank overdraft interest	5	-
Interest (receivable from)/payable to group undertakings	(25)	36
Invoice discounting	16	47
Other loans not wholly repayable within five years	42	53
Finance charges payable under finance leases and hire purchase contracts	20	38
Other	-	160
	==	==
	50	334
	==	==

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

8 TAX CHARGE/(CREDIT) ON PROFIT ON ORDINARY ACTIVITIES

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Current taxation		
UK Corporation tax	309	-
Amounts receivable for group relief	<u>-</u>	<u>(168)</u>
	<u>309</u>	<u>(168)</u>

9 DIVIDENDS

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Dividend proposed at 13p total (1996: 5.2p) per share		
Ordinary shares	47	20
Redeemable preference shares	<u>156</u>	<u>62</u>
	<u>203</u>	<u>82</u>

10 TANGIBLE FIXED ASSETS

	<u>Long leasehold land and buildings</u> <u>£'000</u>	<u>Plant, machinery and office equipment</u> <u>£'000</u>	<u>Motor vehicles</u> <u>£'000</u>	<u>Total</u> <u>£'000</u>
COST				
At 1 April 1996	1,175	1,646	11	2,832
Additions	-	157	15	172
Revaluation of assets	-	129	-	129
Disposals	<u>-</u>	<u>(200)</u>	<u>(11)</u>	<u>(211)</u>
At 31 March 1997	<u>1,175</u>	<u>1,732</u>	<u>15</u>	<u>2,922</u>
DEPRECIATION				
At 1 April 1996	7	576	8	591
Charge for the year	-	205	5	210
Disposals	<u>-</u>	<u>(197)</u>	<u>(9)</u>	<u>(206)</u>
At 31 March 1997	<u>7</u>	<u>584</u>	<u>4</u>	<u>595</u>
NET BOOK AMOUNT				
At 31 March 1997	<u>1,168</u>	<u>1,148</u>	<u>11</u>	<u>2,327</u>
At 31 March 1996	<u>1,168</u>	<u>1,070</u>	<u>3</u>	<u>2,241</u>

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

10 TANGIBLE FIXED ASSETS (continued)

In the year, Henry Butcher revalued plant and machinery purchased for £5,000 to its open market value of £134,250.

The net book amount of plant and machinery and motor vehicles includes £458,183 (1996: £592,565) in respect of assets held under finance leases and hire purchase contracts; the historic cost of these assets was £708,815 (1996: £974,254).

11 STOCKS

	<u>1997</u> £'000	<u>1996</u> £'000
Raw materials and consumables	322	360
Work in progress	49	52
Finished goods and goods for resale	<u>128</u>	<u>74</u>
	499	486
	<u>=====</u>	<u>=====</u>

12 DEBTORS

Trade debtors	483	793
Amounts owed by Group undertakings	93	702
Other debtors and prepayments	70	9
ACT recoverable	<u>59</u>	<u>21</u>
	705	1,525
	<u>=====</u>	<u>=====</u>

13 CREDITORS: Amounts falling due within one year

Bank overdraft	77	-
Amounts forwarded by debt factor	126	361
Loans (note 15)	100	100
Trade creditors	611	614
Amounts owed to group undertakings	94	113
Corporation tax	289	-
Other taxation and social security	135	153
Obligations under finance leases and hire purchase contracts (note 18)	78	231
Other creditors and accruals	63	328
ACT payable	79	21
Dividend payable	<u>203</u>	<u>82</u>
	1,855	2,003
	<u>=====</u>	<u>=====</u>

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

14 CREDITORS: Amounts falling due after more than one year

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Loans (Note 15)	425	525
Obligations under finance leases and hire purchase contracts (Note 18)	<u>47</u>	<u>113</u>
	<u>472</u>	<u>638</u>

15 LOANS

Amounts repayable by instalment on loans not wholly repayable within five years:

Within one year	100	100
Between one and two years	100	100
Between two and five years	300	300
After five years	<u>25</u>	<u>125</u>
	<u>525</u>	<u>625</u>

Bank loan at 1% above LIBOR rate, repayable in quarterly instalments of £25,000 commencing August 1994.

16 CALLED UP SHARE CAPITAL

	<u>1997</u> <u>£</u>	<u>Authorised</u> <u>1996</u> <u>£</u>	<u>Allotted, called</u> <u>up and fully paid</u> <u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
Ordinary shares of £1 each	500,000	500,000	390,000	390,000
Redeemable preference shares of £1 each	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,170,000</u>	<u>1,170,000</u>
	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,560,000</u>	<u>1,560,000</u>

The redeemable preference shares may be redeemed at any time in whole or in part at the option of the company, but in any event not later than 31 December 2000, but shall otherwise rank pari passu with ordinary shares in all respects.

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

17 RESERVES

	<u>Revaluation reserve</u> £'000	<u>Profit and loss account</u> £'000
At 1 April 1996	-	83
Surplus arising on revaluation of plant and machinery	129	-
Transfer	(1)	1
Retained profit for the year	<u>-</u>	<u>515</u>
At 31 March 1997	<u>128</u>	<u>599</u>

18 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

Amounts due under finance leases and hire purchase contracts are analysed as follows:

	<u>1997</u> £'000	<u>1996</u> £'000
Within one year	78	231
Between two and five years	<u>47</u>	<u>113</u>
	<u>125</u>	<u>344</u>

19 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

There are no provisions for deferred taxation. The major components of the maximum potential deferred taxation not provided are as follows:

	<u>1997</u> £'000	<u>Not provided</u> <u>1996</u> £'000
Capital allowances in advance of depreciation	213	203
Other timing differences	-	(9)
Trading losses available for relief	<u>-</u>	<u>(15)</u>
	<u>213</u>	<u>179</u>

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

20 CAPITAL COMMITMENTS

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Authorised and contracted for	33	6

21 OTHER FINANCIAL COMMITMENTS

	<u>Land and buildings</u>		<u>Other</u>	
	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Operating leases which expire:				
within five years	-	-	15	16
after five years	<u>9</u>	<u>9</u>	<u>-</u>	<u>-</u>
	9	9	15	16

22 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Profit for the financial year	718	683
Surplus arising on revaluation of fixed assets	129	-
Dividends	<u>(203)</u>	<u>(82)</u>
Net addition to shareholders' funds	644	601
Opening shareholders' funds	<u>1,643</u>	<u>1,042</u>
Closing shareholders' funds	<u>2,287</u>	<u>1,643</u>

23 PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

24 NOTES TO THE STATEMENT OF CASH FLOWS

24A RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Operating profit	1,077	849
(Profit)/loss on sale of fixed assets	(5)	17
Depreciation	210	227
(Increase)/decrease in stocks	(13)	68
Decrease in debtors	858	124
(Decrease) in creditors	<u>(106)</u>	<u>(560)</u>
Net cash inflow from operating activities	<u>2,021</u>	<u>725</u>

24B RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	<u>1997</u> <u>£'000</u>	<u>1996</u> <u>£'000</u>
Increase in cash in the period	1,209	150
Decrease in debt and lease financing	<u>375</u>	<u>332</u>
Change in net debt resulting from cash flows	1,584	482
New finance lease/HP contracts	<u>(56)</u>	<u>(45)</u>
Movements in net debt in period	1,528	437
Net debt at 1 April	<u>(1,298)</u>	<u>(1,735)</u>
Net debt at 31 March	<u>230</u>	<u>(1,298)</u>

BRISTOL BENDING SANOH LIMITED

NOTES TO THE ACCOUNTS AS AT 31 MARCH 1997 (continued)

24 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

24C ANALYSIS OF NET DEBT

	At 1 April 1996 £'000	Cash flow £'000	Other non cash movements £'000	At 31 March 1997 £'000
Cash in hand and at bank	32	1,051	-	1,083
Overdrafts	-	(77)	-	(77)
Amounts forwarded by debt factor	(361)	<u>235</u>	-	(126)
		1,209		
Debt due after 1 year	(525)	-	100	(425)
Debt due within 1 year	(100)	100	(100)	(100)
Finance leases/HP contracts	<u>(344)</u>	<u>275</u>	<u>(56)</u>	<u>(125)</u>
		<u>375</u>		
Total	(1,298)	1,584	(56)	230

25 RELATED PARTY DISCLOSURES

The ultimate controlling party of the company is Circuitit and Hinchliffe Limited, the major shareholder of the company.

The following transactions have been undertaken with related parties:

	1997 £'000
<u>Transactions with Circuitit and Hinchliffe</u>	
Supply of goods and services by Circuitit & Hinchliffe	721
Supply of goods and services by Bristol Bending Sanoh Limited	884
Fees for management services	19

Those transactions were undertaken on normal commercial terms and conditions.

Balances due to/(from) related parties at the year end

	1997 £'000	1996 £'000
Circuitit and Hinchliffe	1	(589)

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