

DATUM PRECISION TOOLING LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997

DIRECTORS

R J Lovett
S J Langrish

SECRETARY

R J Lovett

COMPANY NUMBER 2688019

REGISTERED OFFICE

Finchdean, Waterlooville, Hampshire PO8 0AU

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AUDITORS REPORT TO DATUM PRECISION TOOLING LIMITED UNDER SECTION 247B OF
THE COMPANIES ACT 1985

We 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 October 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 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 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 our opinion to you.

Basis of Opinion:

We have carried out the procedures we consider 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 our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion:

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



LEONARD GOLD CHARTERED ACCOUNTANTS
Registered Auditors
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

22 JULY 1998

DATUM PRECISION TOOLING LIMITED

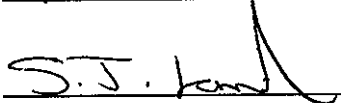
BALANCE SHEET AS AT 31 OCTOBER 1997

	Notes	1997	1996
		£	£
FIXED ASSETS			
Tangible Assets	2	331094	173104
CURRENT ASSETS			
Stocks		71108	58635
Debtors		358003	213396
Cash at Bank and In Hand		150	150
		429261	272181
CREDITORS :			
Amounts falling due within one year		(430808)	(322890)
NET CURRENT LIABILITIES		(1547)	(50709)
TOTAL ASSETS LESS CURRENT LIABILITIES		329547	122395
CREDITORS :			
Amounts falling due after more than one year	3	(136402)	(32941)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Taxation		(12000)	(22706)
NET ASSETS		£181145	£66748
CAPITAL AND RESERVES			
Called up Share Capital	4	100	100
Profit and Loss Account		181045	66648
Shareholders' Funds		£181145	£66748

Approved by the board of directors on 17 July 1998 and signed on its behalf. These accounts are prepared in accordance with the provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.



R J LOVETT - DIRECTOR



S J LANGRISH - DIRECTOR

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

1. ACCOUNTING POLICIES

Basis Of Preparation Of Accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and Fittings	- 15% per annum straight line
Motor Vehicles	- 25% per annum straight line
Plant and Machinery	- 10% per annum straight line
Tools	- 15% per annum straight line

No depreciation is provided on freehold property as the property is maintained to a standard such that the residual value of the property is not less than its carrying value.

Leasing And Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Stocks And Work In Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1. ACCOUNTING POLICIES (CONTINUED)

Deferred Taxation

Provision is made for deferred taxation calculated using the liability method in respect of material timing differences between the incidence of income and expenditure for taxation and accounts purposes to the extent that it is probable that a liability or asset will crystallise.

2. TANGIBLE FIXED ASSETS

	Freehold Property	Plant & Machinery	Fixtures and Fittings
	£	£	£
COST			
At 1 November 1996	—	254802	18335
Additions	10384	183702	175
Disposals	—	(53780)	—
	<u>10384</u>	<u>384724</u>	<u>18510</u>
DEPRECIATION			
At 1 November 1996	—	96888	9456
Charge for Year	—	25645	2770
Disposals	—	(26352)	—
	<u>—</u>	<u>96181</u>	<u>12226</u>
NET BOOK VALUES			
At 31 October 1996	—	£157914	£8879
At 31 October 1997	<u>£10384</u>	<u>£288543</u>	<u>£6284</u>
	Motor Vehicles	Tools	Totals
	£	£	£
COST			
At 1 November 1996	13325	4824	291286
Additions	24130	—	218391
Disposals	—	—	(53780)
	<u>37455</u>	<u>4824</u>	<u>455897</u>
DEPRECIATION			
At 1 November 1996	9074	2764	118182
Charge for Year	3834	724	32973
Disposals	—	—	(26352)
	<u>12908</u>	<u>3488</u>	<u>124803</u>
NET BOOK VALUES			
At 31 October 1996	£4251	£2060	£173104
At 31 October 1997	<u>£24547</u>	<u>£1336</u>	<u>£331094</u>

2. TANGIBLE FIXED ASSETS (CONTINUED)

Included in fixed assets are assets held under finance leases and hire purchase contracts with a cost of £373326 (1996: £210925) and a net book value of £295522 (1996: £130364).

3. CREDITORS

	Amounts falling due after more than one year	
	<u>1997</u>	<u>1996</u>
	£	£
Net Obligations Under Finance		
Lease and Hire Purchase		
Contracts (secured)	113335	1831
Other Loans	23067	31110
	<u>£136402</u>	<u>£32941</u>

The total amount of secured creditors is £324954 (1996: £155865).

4. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
Authorised		
Ordinary Shares of £1 each	<u>£100</u>	<u>£100</u>
Allotted and Fully Paid		
Ordinary Shares of £1 each	<u>£100</u>	<u>£100</u>

5. POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 October 1997 and the date of their approval by the board of directors.