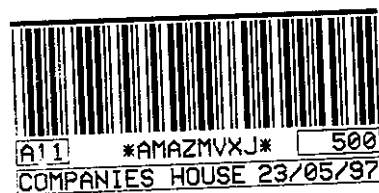


EQUIPMENT SUPPORT & SERVICES LIMITED

Abbreviated financial statements

30 April 1996

Registered number 2703986



EQUIPMENT SUPPORT & SERVICES LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to

Equipment Support & Services Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996.

Respective responsibilities of 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 exemption claimed in the directors' statement on page 2 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, 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 full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 30 April 1996 and the abbreviated financial statements on pages 2 to 5 have been properly prepared in accordance with that Schedule.

Other Information

On 11 May 1997 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996, and our audit report was as follows:

'We have audited the financial statements on pages 6 to 13 which have been prepared under the accounting policies set out on page 8.

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

EQUIPMENT SUPPORT & SERVICES LIMITED

**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENT
(continued)**

Auditors' report to
Equipment Support & Services Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We concluded 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 error or other irregularity. 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 30 April 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

Nagle James Associates

Nagle James Associates
Registered Auditors
Chartered Accountants
London W5 5LS

...12...May 1997

EQUIPMENT SUPPORT & SERVICES LIMITED


Abbreviated Balance sheet at 30 April 1996

	Notes	1996 £000	1995 £000
Fixed assets	2	59	37
Current assets			
Stocks		130	8
Debtors		366	545
Cash at bank and in hand		146	213
		<u>642</u>	<u>766</u>
Creditors: amounts falling due within one year		<u>(495)</u>	<u>(486)</u>
Net current assets		<u>147</u>	<u>280</u>
Net assets		<u><u>206</u></u>	<u><u>317</u></u>
Capital and reserves			
Called up share capital	3	250	250
Profit and loss account		(44)	67
		<u>206</u>	<u>317</u>
Equity shareholders' funds		<u><u>206</u></u>	<u><u>317</u></u>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part 1 of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements on pages 2 to 5 were approved by the board of directors on
15 May 1997.


E W Roberts
Chairman

EQUIPMENT SUPPORT & SERVICES LIMITED

Notes on Abbreviated Financial Statements

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of Preparation:

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost accounting rules and in accordance with the Companies Act 1985.

Fixed Assets and Depreciation:

Depreciation is provided by the company to write off the cost less the estimated value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold Improvements	20% per annum
Plant and equipment	25% per annum
Fixtures and fittings	25% per annum
Computer equipment	25% per annum

Stocks:

Stocks are valued at the lower cost or net realisable value.

Deferred Tax:

Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise in the foreseeable future.

Leased Assets:

Expenditure on operating leases is charged to the profit and loss account as incurred.

Pensions:

Pension costs are charged against profits for the year as incurred.

The persons working for the company participate in a defined benefit scheme managed by Sun Alliance Assurance plc. Details concerning the pension scheme may be obtained from the Company Secretary.

EQUIPMENT SUPPORT & SERVICES LIMITED

Notes on Abbreviated Financial Statements

(continued)

2. Tangible fixed assets

	Plant and equipment £000	Fixtures and fittings £000	Computer equipment £000	Total £000
<i>Cost:</i>				
At 1 May 1995	-	1	74	75
Additions	2	43	5	50
Disposals	-	(1)	-	(1)
At 30 April 1996	<u>2</u>	<u>43</u>	<u>79</u>	<u>124</u>
<i>Depreciation:</i>				
At 1 May 1995	-	-	38	38
Charge for the year	-	7	20	27
Disposals	-	-	-	-
At 30 April 1996	<u>-</u>	<u>7</u>	<u>58</u>	<u>65</u>
<i>Net book value</i>				
At 30 April 1996	<u>2</u>	<u>36</u>	<u>21</u>	<u>59</u>
At 30 April 1995	<u>-</u>	<u>1</u>	<u>36</u>	<u>37</u>

3. Share capital

	1996 £000	1995 £000
<i>Authorised, issued, allotted and fully paid</i>		
250,000 ordinary shares of £ 1 each	<u>250</u>	<u>250</u>

EQUIPMENT SUPPORT & SERVICES LIMITED

Notes on Abbreviated Financial Statements

(continued)

4. **Contingent liabilities**

Included within cash at bank and in hand is £130,000 (1995 £75,000) which is subject to the conditions contained in three performance bonds. These relate to specific contracts where the customer has the right to draw against the amount if the company fails to satisfy all the conditions of the contract.

5. **Discounted bills**

Deducted from the current assets is a balance of £42,614 which relates to amounts discounted on an invoice outstanding from an overseas customer.

6. **Directors' interests**

The interests of the directors in the share capital of the company at 30th April 1996 were as follows:

	Ordinary shares of £1 each
Mr E W Roberts	116,129
Mrs J.R. Roberts	33,871
Mr R B Azevedo	Nil

In addition to the above, Steger Trust AG (of which Mr P Steger is a director) was beneficially interested in 100,000 shares. Apart from the foregoing the directors held no right to subscribe for shares in or debentures of the company.

Included in other creditors is a balance of £25,150 which is due jointly to Mr E W Roberts and a third party relating to a contract for motorcycle spares. Mr E W Roberts and the third party introduced this stock into the company and the balance outstanding at the year end is the total value of stock introduced. No interest is due on this amount.

7. **Holding company**

The company ceased to be a subsidiary undertaking of Kendale Limited (which is registered in England and Wales) on 28 February 1996.