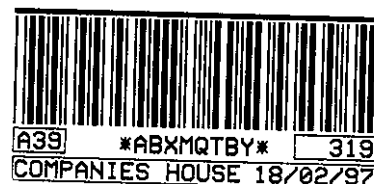


Betabite Hydraulics (1994) Limited
(Company Number 2877457)

Abbreviated
Financial Statements For The
Year Ended 30th April 1996



Betabite Hydraulics (1994) Limited

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For the Year Ended 30th April 1996

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Auditors' Report to the Directors of Betabite Hydraulics (1994) Limited
Under Paragraph 24 of Schedule 8 to the Companies Act 1985
For the Year Ended 30th April 1996

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of Betabite Hydraulics (1994) Limited prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1996.

Respective Responsibilities of Directors and Auditors

The directors are responsible for the preparation of the abbreviated accounts 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 directors' statement on page 2 and whether the abbreviated accounts 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 accounts 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 A of Part III of Schedule 8 to that act, in respect of the year ended 30th April 1996 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that schedule.

Other Information

On 13th February 1997 we reported, as auditors of Betabite Hydraulics (1994) Limited, to the members on the financial statements prepared under section 226 of the companies Act 1985 for the year ended 30th April 1996 and our report was as follows:

'We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the accounts.'

Respective Responsibilities of Directors and Auditors

As described on page 1, 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.

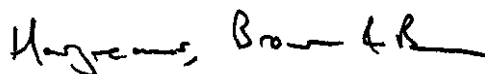
Basis of Opinion

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 the 30th April 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



Hargreaves, Brown & Benson
Chartered Accountants and
Registered Auditor

Colne, Lancashire
13th February 1997

Betabite Hydraulics (1994) Limited**Abbreviated Balance Sheet
As at 30th April 1996**

	<u>Notes</u>	£	<u>1996</u> £	£	<u>1995</u> £
FIXED ASSETS					
Tangible assets	2		120,598		132,986
CURRENT ASSETS					
Stocks		172,571		131,417	
Debtors		468,321		356,965	
Cash at bank and in hand		368		59	
		<u>641,260</u>		<u>488,441</u>	
CREDITORS - amounts falling due within one year		<u>(691,763)</u>		<u>(576,070)</u>	
NET CURRENT LIABILITIES			<u>(50,503)</u>		<u>(87,629)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			70,095		45,357
Provisions for liabilities and charges					
			(3,359)		(3,527)
			<u>£ 66,736</u>		<u>£ 41,830</u>
CAPITAL AND RESERVES					
Called up share capital	3		100		100
Profit and loss account			66,636		41,730
SHAREHOLDERS' FUNDS			<u>£ 66,736</u>		<u>£ 41,830</u>

Advantage is taken of the exemptions conferred by Section A, Part III of Schedule 8 to The Companies Act 1985. In the opinion of the directors, the company is entitled to those exemptions on the grounds that it has fulfilled the qualifications for a small sized company specified in Sections 246 and 247.

These financial statements were approved by the board of directors on **12 FEB 1997**

Signed on behalf of the Board of Directors.

E.S. Fort OBE

(Director)

Betabite Hydraulics (1994) Limited
Notes to the Abbreviated Accounts

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements have been prepared in accordance with the historical cost convention.

The principal accounting policies which the directors have adopted within that convention are set out below.

The accounts are prepared in accordance with applicable accounting standards.

1.2 Depreciation

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

Plant and equipment	10 - 20 % (straight line per annum)
Computers	20 % (straight line per annum)
Motor vehicles	25 % (reducing balance per annum)

1.3 Stocks

Stocks and work in progress have been consistently valued at the lower of cost and net realisable value, due allowance being made for obsolete and slow moving items

Cost includes the relevant proportion of overheads assuming normal levels of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

1.4 Deferred taxation

Deferred taxation is provided using the liability method to take account of all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that tax will be payable.

1.5 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Exchange differences are taken into account in arriving at the operating profit.

Betabite Hydraulics (1994) Limited
Notes to the Abbreviated Accounts

1.6 Operating leases

Rentals payable under operating leases are charged to profit and loss account as they fall due.

1.7 Pensions

The company contributes to a defined contribution scheme for senior employees. Contributions to the scheme are charged to the profit and loss account as incurred.

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
Cost:	
At 1st May 1995	223,125
Additions	22,089
	<u>£245,214</u>
At 30th April 1996	
Depreciation:	
At 1st May 1995	90,139
Additions	-
Charge for year	34,477
	<u>£124,616</u>
At 30th April 1996	
Net book value at:	
30th April 1996	<u>£120,598</u>
30th April 1995	<u>£132,986</u>

3. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, issued and fully paid</u>	
	£	<u>1996</u>	<u>1995</u>
		£	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>