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Leipold (UK) Limited

Abbreviated Accounts

31 December 1996

Company Number : 2948564

Goff Haslehurst
Chartered Certified Accountants
Sutton Coldfield



Leipold (UK) Limited

Company Number : 2948564

Directors : K H Schiefer
H Dufner

Secretary : S J Holder

Auditors : Goff Haslehurst
15/17 Belwell Lane
Four Oaks
Sutton Coldfield
West Midlands
B74 4AA

Bankers : Lloyds Bank plc
Bishton Court
Telford Business Park
Telford
TF3 4JE

Registered Office : Holder Blackthorn
Blackthorn House
St Paul's Square
Birmingham
B3 1RL

Goff Haslehurst

Auditors' Report to the Directors of Leipold (UK) Limited Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of Leipold (UK) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing 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 3 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 audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from these 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 statements.

Opinion

In our opinion the company is entitled under Section 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 31 December 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other Information

On 20 March 1997 we reported, as auditors of Leipold (UK) Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1996 and our audit report was as follows:-

"We have audited the accounts on pages 5 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



Goff Haslehurst
Chartered Certified Accountants
Registered Auditor
Sutton Coldfield

Leipold (UK) Limited

Abbreviated Balance Sheet
At 31 December 1996

	Notes	1996 £	1995 £
Fixed Assets			
Tangible assets	2	880,295	373,153
Current Assets			
Stocks		385,770	246,818
Debtors		374,610	263,815
Cash at bank and in hand		46,592	105,605
		<u>806,972</u>	<u>616,238</u>
Creditors : Amounts falling due within one year	3	774,916	591,151
Net Current Assets		<u>32,056</u>	<u>25,087</u>
Total Assets Less Current Liabilities		912,351	398,240
Creditors : Amounts falling due after more than one year	3	857,907	392,420
		<u>54,444</u>	<u>5,820</u>
Capital and Reserves			
Called up share capital	4	120,002	120,002
Profit and loss account		(65,558)	(114,182)
		<u>54,444</u>	<u>5,820</u>
Equity		(35,556)	(95,820)
Non equity		90,000	90,000
		<u>54,444</u>	<u>5,820</u>

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

K H Schiefer



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Directors

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H Dufner



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20 March 1997

Leipold (UK) Limited

Notes to the Abbreviated Accounts
at 31 December 1996

1. Accounting Policies

Accounting convention

The accounts are prepared under the historical cost convention.

Leased assets

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 the 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 lease term.

Depreciation

The cost of fixed assets is depreciated by equal monthly instalments over the expected useful lives of the assets as follows:

Leasehold improvements	-	over the term of the lease
Plant and machinery	-	10 years
Fixtures, fitting and office equipment	-	5 years
Motor vehicles	-	4 years

Stocks and work in progress

Stocks are stated at the lower of costs and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal production.

Deferred taxation

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

Foreign exchange

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

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

Deferred government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Leipold (UK) Limited

Notes to the Abbreviated Accounts
at 31 December 1996

2. Tangible Fixed Assets

	1996 £
Cost:	
At 1 January 1996	411,500
Additions	601,410
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At 31 December 1996	1,012,910
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Depreciation	
At 1 January 1996	38,347
Charge for the year	94,268
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At 31 December 1996	132,615
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Net book amounts	
At 31 December 1996	<u>880,295</u>
At 31 December 1995	<u>373,153</u>

3. Creditors Include:

There were no creditors wholly repayable after five years.

4. Share Capital

	Authorised 1996 and 1995 £	Allotted, called up and fully paid 1996 and 1995 £
Equity:		
Ordinary shares of £1 each	30,002	30,002
	<hr/>	<hr/>
Non Equity:		
Redeemable 5% preference shares of £1 each	90,000	90,000
	<hr/>	<hr/>
Total Share Capital	<u>120,002</u>	<u>120,002</u>