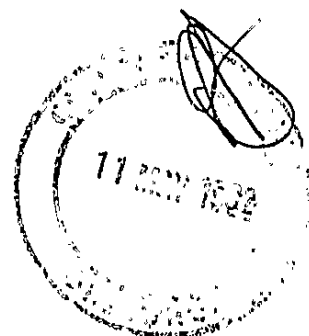


39355

Castle Precision Engineering (Glasgow)
Limited

Accounts for
Year ended 31st July 1991

HACKER YOUNG
CHARTERED ACCOUNTANTS
GLASGOW



Castle Precision Engineering (Glasgow) Ltd

Report of the Directors

The Directors present their report and the Audited Accounts for Year ended 31st July 1991.

Results

	1991	1990
Net Profit before Taxation	945,204	761,026
Taxation	285,819	258,604
	-----	-----
	659,385	502,422
Dividends	300,000	150,000
	-----	-----
	359,385	352,422
	-----	-----

A Dividend of £100 (1990 - £50) per share will be proposed at the AGM of the Company.

Activities

The Company is principally concerned with the design and manufacture of jigs, fixtures and press tools.

Goods Exported During the year

The goods exported during the year were £93,671 (1990 £199,689).

Directors and Directors Interests

The Directors of the Company throughout the year and their interest in the company is as follows:-

	Ordinary Shares	
	1991	1990
Mrs L Tiefenbrun	1530	1530
Mr I Tiefenbrun	678	678
Mr M Tiefenbrun	396	396
Ms B Tiefenbrun	396	396

In terms of the Company's Articles no Director falls to retire at this time.

Income and Corporation Taxes Act 1988

The Company is a close company as defined by the above Act.

Auditors

A resolution proposing the re-election of Messrs. Hacker Young as the Company's Auditors will be put to the forthcoming Annual General Meeting.

By Order of the Board

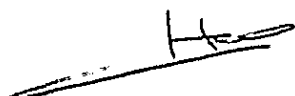
Date ... 22/4/92

Director

Report of the Auditors to the Members of
Castle Precision Engineering (Glasgow) Limited

We have audited the financial statements on
pages 3 to 10 in accordance with Auditing
Standards.

In our opinion the financial statements, give
a true and fair view of the state of the
company's affairs at 31st July 1991 and of its
result and source and application of funds for
the year then ended and comply with the
Companies Act 1985.



Mackay Young
Registered Auditor
Chartered Accountants
GLASGOW

DATE .. 22/4/92

Profit and Loss Account
Year ended 31st July 1991

	Notes	1991 £	1990 £
Turnover	2	2,639,378	2,767,034
Cost of Sales		826,896	1,037,939
Gross Profit		1,812,482	1,729,095
Administrative Expenses		1,079,775	1,191,529
Operating Profit	3	732,707	537,566
Interest Receivable	5	219,357	228,805
Interest Payable		(6,860)	(5,345)
Profit from Ordinary Operations Before Taxation		945,204	761,026
Taxation	6	285,819	258,604
Profit for the Financial Year		659,385	502,422
Dividends		300,000	150,000
Retained Profit for the Year		359,385	352,422
Retained Profit Brought Forward		2,141,614	1,789,192
Prior year adjustment	13	148,069	948,146
Retained Profit Carried Forward		1,993,545	1,789,192
		2,352,930	2,141,614

Castle Precision Engineering (Glasgow) Ltd

Balance Sheet
31st July 1991

	Notes	1991	1990
		£	£
Fixed Assets			

Tangible Assets	14	980,694	1,180,510
		-----	-----
		980,694	1,180,510
Current Assets			

Stock and Work in Progress	7	21,467	82,186
Debtors	8	479,587	172,466
Cash and Bank Balances		1,790,036	1,905,302
		-----	-----
		2,291,090	2,159,954
		=====	=====
Creditors			

Creditors - Due Within One Year	9	484,860	832,630
		-----	-----
		484,860	832,630
		=====	=====
Net Current Assets		1,806,230	1,327,324
		-----	-----
Total Assets less Current Liabilities		2,786,924	2,507,834
Creditors - Due After More Than One Year	-	-	8,559
Provision for Liabilities and Charges		156,933	15,000
		-----	-----
		156,933	23,559
		-----	-----
		2,629,991	2,484,275
		=====	=====
Capital and Reserves			

Called up Share Capital	11	3,000	3,000
Revenue Reserves			
Regional Development Grant Reserve			
		2,352,930	2,141,614
		274,061	339,661
		-----	-----
		2,626,991	2,481,275
		-----	-----
Shareholders' Funds		2,629,991	2,484,275
		=====	=====

Director *John McQueen*

Director *[Signature]*

Castle Precision Engineering (Glasgow) Ltd

Statement of Source and Application of Funds
Year ended 31st July 1991

Profit for the Year, as Accounts	945,204	761,026
Adjustment for Items not Involving the Movement of Funds		
Depreciation	207,403	278,107
R.D.G released to Profit and Loss	(77,184)	(98,761)
	<u>1,075,423</u>	<u>940,372</u>
Funds from Other Sources		

Fixed Asset Disposals	2,878	500
Regional Development Grant Received	11,584	41,137
	<u>14,462</u>	<u>41,637</u>
	1,089,885	982,009
Application		

Fixed Asset Additions	10,465	418,118
Tax Paid	250,115	249,570
Dividends	300,000	150,000
Finance Lease Creditors	8,559	24,144
	<u>569,139</u>	<u>841,832</u>
	<u>520,746</u>	<u>140,177</u>
Net Movement in Working Capital		

Increase/(decrease) in Stock	(60,719)	59,386
Increase/(decrease) in Debtors	307,121	(288,490)
(Increase)/decrease in Creditors	389,610	(365,885)
Movement in Net Liquid Funds		
Increase/(decrease) in Bank	(115,266)	735,166
	<u>520,746</u>	<u>140,177</u>

1. Accounting Policies

The Company has adopted the following accounting policies in the preparation of the Accounts :-

a, The Accounts are prepared under the Historical cost convention

b) Stocks and Work in Progress are valued at the lower of cost and net realisable value.

c) 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:-

Heritable Property	2%	Reducing Balance
Plant & Machinery	25%	Reducing Balance
Motor Vehicles	25%	Reducing Balance
Computer Equipment	30%	Reducing Balance

d) Regional development and other Capital grants are credited to the Capital Reserve in the balance sheet and are released to the profit and loss account over the useful life of the asset to which it relates.

e) Leasing and Hire Purchase Commitments.

Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the obligations is charged to the profit and loss account over the period of the contract and represents the constant proportion of the balance of the capital repayments outstanding.

Assets acquired under finance leases during the course of the year have been capitalised and depreciated over the period of the lease. Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

2. Turnover

Turnover represents the invoiced amount of goods sold excluding Value Added Tax.

3. Operating Profit

(a) This is stated after charging or crediting :

	1991 £	1990 £
Directors' Remuneration(including benefit in kind)	63,050	62,566
Auditors' Remuneration	8,500	7,900
Depreciation-Owned Assets	186,831	249,792
Depreciation-Finance leased & H.P Charges	20,813	27,750
Hire of Plant	3,311	3,352
Finance leasing costs	6,803	5,345
Operating lease payments	6,719	6,719

	£	£
(b) Directors' Remuneration		
Fees	-	-
Other Emoluments (including pension contributions)	63,050	62,566
	-----	-----
	63,050	62,566
	-----	-----

The emoluments of the chairperson, who was also the highest paid director, excluding pension contributions were £63,050 (1990-£62,566).

Other directors' emoluments, excluding pension contributions, fell within the following ranges:-

	No.	No.
£Nil - £5000	NIL	NIL

4. Staff Costs

	£	£
Wages and salaries	947,286	952,033
Social security costs	92,999	87,924
Other pension costs	41,253	30,347
	-----	-----
	1,081,538	1,070,304
	-----	-----

The weekly number of employees during the year was made up as follows:

	1991	1990
	No.	No.
Office and Management	25	29
Manufacturing	49	47
	-----	-----
	74	76
	-----	-----

5. Interest Receivable

	1991	1990
	£	£
Bank Interest	219,357	228,805

6. Tax on Profit on Ordinary Activities

	1991	1990
	£	£
Based on the profit for the year:		
Corporation Tax at 33% (34%)	296148	245585
Under/(Over) provision previous years	(4193)	(1954)
Deferred Tax	(6136)	15000
	-----	-----
	285819	258604
	-----	-----

7. Stocks

	1991	1990
	£	£
Raw Materials and Consumables	10,565	18,360
Work in Progress	10,902	63,826
	-----	-----
	21,467	82,186
	-----	-----

8. Debtors

	1991	1990
	£	£
Trade Debtors	362,240	111,271
Other Debtors	-	1,900
Prepayments and accrued income	17,347	9,295
Advance corporation tax recoverable	100,000	50,000
	-----	-----
	479,587	172,466
	-----	-----

9. Creditors: Amounts falling due within one year

	1991	1990
	£	£
Trade Creditors	55,819	137,747
Current Corporation Tax	291,513	249,673
Finance lease - within 1 year	15,362	43,244
Accruals	32,918	291,350
Directors Loan Account	854	854
Other Creditors	66,836	82,902
Vat Payable	21,558	26,860
	-----	-----
	484,860	832,630
	-----	-----

10. Deferred Taxation

Deferred taxation provided in the accounts and the potential amounts, including the amounts for which provision has been made are as follows:

	Provision		Potential	
	£	£	£	£
Capital allowances in advance of depreciation	141398	NIL	141398	160000
Other Timing Differences	15535	15000	15535	15000
	-----	-----	-----	-----
	£ 156933	£ 15000	£ 156933	£ 175000
	-----	-----	-----	-----

11. Share Capital

	Authorised		Alloted Called up and fully paid	
	No.	No.	£	£
Ordinary Shares of £1 each	3000	3000	3000	3000

12. Creditors due after more than 1 year

	£	£
Finance Leases	-	-

13. Prior Year Adjustment

	1991 £	1990 £
Depreciation earlier years	-	948146
Deferred tax earlier years	148069	-
	-----	-----
	148069	984146
	-----	-----

14. Obligations under finance lease & Hire Purchase Contracts

	1991	1990
Minimum lease/h.p contract payments payable		
within 1 year	15362	43244
within 2 - 5 years	-	8559
after 5 years	-	-
	-----	-----
	15362	51803
	-----	-----

15. Operating lease commitments

At 31st July, 1991 the company was committed to making the following payments during the next year in respect of operating leases.

	Buildings	Others
leases with expires		
within 1 year	-	-
within 2- 5 years	-	-
after 5 years	6,719	-
	-----	-----
	6,719	-
	-----	-----

16. Tangible Fixed Assets

	Heritable Property	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Total
Opening Cost	460717	3539521	138157	106875	4245270
Additions	-	-	5465	5000	10465
Disposals	-	(2878)	-	(4925)	(7803)
Closing Cost	460717	3536643	143622	106950	4247932
Depreciation b/f	66694	2841377	103886	52803	3064760
Charge	7880	174232	11120	14412	207644
Disposals	-	(1664)	-	(3502)	(5166)
Depreciation c/f	74574	3013945	115006	63713	3267238
Net Book Value 1991	386143	522698	28616	43237	980694
Net Book Value 1990	394023	698144	34271	54072	1180510

The net book value of the assets includes £62,437 (£83,250) in respect of assets held under finance leases & H.P contracts.