

Registered Number SC109038

Electro-Flow Controls Limited

**Abbreviated Financial Statements
For the Year Ended
31 March 1997**

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**Report of the Auditors
to the members of Electro-Flow Controls Limited pursuant to Section 247B to the
Companies Act 1985**

We have examined the abbreviated accounts on pages 2 and 3, together with the financial statements of Electro-Flow Controls Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1997.

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 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 to prepare accounts in accordance with Sections 246(5) and (6) of the companies Act 1985 in respect of the year ended 31 March 1997 and the abbreviated accounts on pages 2 and 3 have been properly prepared in accordance with those provisions.

J Duncan Davidson
Chartered Accountants and Registered auditor

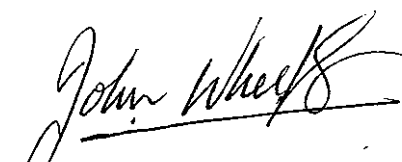
Date 28 January 1998

1 Albert Street
Aberdeen
AB25 1XX

**Abbreviated Balance Sheet
at 31 March 1997**

	<i>Notes</i>	<u>1997</u>	<u>1996</u>
		£	£
Fixed assets			
Tangible fixed assets	2	74,564	34,993
Investments	3	310	310
		<u>74,874</u>	<u>35,303</u>
Current assets			
Stock and work in progress		130,910	124,910
Debtors		210,853	270,799
Cash at bank		39,926	119
		<u>381,689</u>	<u>395,828</u>
Creditors (amounts falling due within one year)		(381,156)	(404,669)
Net current assets/(liabilities)		<u>533</u>	<u>(8,841)</u>
Total assets less current liabilities		75,407	26,462
Creditors (amounts falling due after more than one year)		(23,719)	(3,272)
Net assets		<u>51,688</u>	<u>23,190</u>
Capital and reserves			
Called up share capital	4	17,000	17,000
Profit and loss account		34,688	6,190
		<u>51,688</u>	<u>23,190</u>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 28 January 1998 and signed on its behalf.


J.C.A. Wheeler
Director

**Notes to the Abbreviated Accounts
at 31 March 1997**

1. Accounting policies

Accounting convention

The accounts are prepared under the historical cost basis and in accordance with applicable accounting standards.

Tangible fixed assets and depreciation

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

Motor vehicles	4 years
Computer hardware	3 years
Plant & equipment	4 years

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present condition, including where appropriate, a proportion of manufacturing overhead.

Deferred taxation

Deferred taxation is accounted for under the liability method in respect of the taxation effects of all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

Leased assets and hire purchase agreements

Assets purchased under finance leases or hire purchase agreements are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the lease 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 payments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Notes to the Abbreviated Accounts (continued)
at 31 March 1997**2. Tangible fixed assets**

	<i>Plant and Machinery etc.</i>
	<u>£</u>
Cost	
At 1 April 1996	129,258
Additions during year	57,383
Disposals during year	(11,800)
At 31 March 1997	<u>174,841</u>
Depreciation	
At 1 April 1996	94,265
Charge for year	11,337
On disposals during year	(5,325)
At 31 March 1997	<u>100,277</u>
Net book value	
At 31 March 1997	<u>74,564</u>
At 31 March 1996	<u>34,993</u>

3. Investments

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Investments in subsidiary companies and in participating interests at cost	<u>310</u>	<u>310</u>

4. Called up Share Capital

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Authorised:		
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Called up, allotted and fully paid		
Ordinary shares of £1 each	<u>17,000</u>	<u>17,000</u>