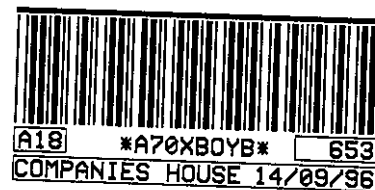


R S ROWLANDS LIMITED

(Company number 457259)

ABBREVIATED BALANCE SHEET
31 January 1996



ELLIOT, WOOLFE & ROSE
CHARTERED ACCOUNTANTS
PREMIER HOUSE
112 STATION ROAD
EDGWARE
MIDDLESEX, HA8 7TT

AUDITORS' REPORT TO R S ROWLANDS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated balance sheet on pages 3 to 8 together with the financial statements of R S Rowlands Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 January 1996.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated balance sheet 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 4 and whether the abbreviated balance sheet has 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 balance sheet has 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, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to the Act, in respect of the year ended 31 January 1996, and the abbreviated balance sheet on pages 3 to 8 has been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 27th August 1996 we reported, as auditors of R S Rowlands Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 January 1996, and our audit report was as follows:

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

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AUDITORS' REPORT TO R S ROWLANDS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE
8 TO THE COMPANIES ACT 1985 (continued)

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 are 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 at 31 January 1996 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



ELLIOT, WOOLFE & ROSE
Chartered Accountants
& Registered Auditors

27th August 1996

R S ROWLANDS LIMITED

ABBREVIATED BALANCE SHEET
At 31 January 1996

	Note	1996	1995
		£	£
FIXED ASSETS			
Tangible assets	2	23,441	30,111
Investments	3	200	100
		<u>23,641</u>	<u>30,211</u>
CURRENT ASSETS			
Stock		146,239	129,671
Debtors		186,909	171,428
Cash at bank and in hand		26,519	63,619
		<u>359,667</u>	<u>364,718</u>
CREDITORS - amounts falling due within one year	4	<u>204,180</u>	<u>245,599</u>
Net current assets		<u>155,487</u>	<u>119,119</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>179,128</u>	<u>149,330</u>
CREDITORS - amounts falling due after more than one year	5	-	2,333
PROVISION FOR LIABILITIES AND CHARGES		<u>2,240</u>	<u>2,240</u>
		<u>(2,240)</u>	<u>(4,573)</u>
NET ASSETS		<u>176,888</u>	<u>144,757</u>
CAPITAL AND RESERVES			
Called up share capital	6	1,000	1,000
Profit and loss account		175,888	143,757
SHAREHOLDERS' FUNDS		<u>176,888</u>	<u>144,757</u>

The notes on pages 5 to 8 form part of this abbreviated balance sheet

R S ROWLANDS LIMITED

ABBREVIATED BALANCE SHEET (continued)

At 31 January 1996

The directors have taken advantage of the special exemptions conferred by Schedule 8 of the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small company.

Approved by the Board and signed on its behalf by



C H S ROWLANDS

Director

27th August 1996

The notes on pages 5 to 8 form part of this abbreviated balance sheet

NOTES TO THE ABBREVIATED BALANCE SHEET
At 31 January 1996

1 ACCOUNTING POLICIES

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

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The company has claimed exemption under Section 248 of the Companies Act 1985 from the preparation of group accounts on the grounds that the group is small.

These financial statements present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents net invoiced sales of goods, services and hire of plant excluding value added tax.

Depreciation and amortisation

This is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following rates per annum:

Short leasehold premises	- period of the lease
Plant and machinery	- 20% on written down value
Motor vehicles	- 25% on written down value
Office equipment	- 20% on written down value

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Finance leases and hire purchase commitments

Assets which are the subject of finance leases or hire purchase contracts are capitalised at a value equal to the original cost. The capital element of future payments is included under "obligations under finance leases and hire purchase contracts" and the interest element is charged to the profit and loss account at a rate which apportions the finance charge on a constant basis.

Operating leases

Rentals applicable to operating leases are charged against profit as incurred.

R S ROWLANDS LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET (continued)

At 31 January 1996

1 ACCOUNTING POLICIES (continued)

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences which, in the opinion of the directors, are likely to reverse in the foreseeable future.

Foreign currency

Transactions denominated in a foreign currency are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Year end balances denominated in a foreign currency are translated into sterling at the rate ruling on the balance sheet date.

Cash flow statement

In accordance with the exemption contained in paragraph 8 of the Financial Reporting Standard 1, the directors have decided not to prepare a cash flow statement as required by that standard, as the company qualifies as a small company within the meaning of the Companies Act 1985.

2 TANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1 February 1995	116,038
Additions	650
	<hr/>
At 31 January 1996	116,688
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Accumulated depreciation:	
At 1 February 1995	85,927
Provision for the year	7,320
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At 31 January 1996	93,247
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Net book value:	
At 31 January 1996	23,441
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At 31 January 1995	30,111
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R S ROWLANDS LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET (continued)

At 31 January 1996

3 FIXED ASSET INVESTMENTS

	Total £
Cost:	
At 1 February 1995	100
Additions	100
	<hr/>
At 31 January 1996	200
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Net book values:	
At 31 January 1996	200
	<hr/>
At 31 January 1995	100
	<hr/>

The company holds 100% of the ordinary share capital of the following companies which are registered in England:

Name of company	Nature of business
R S R (Forgings) Limited	Manufacture of upset forging
R S R Springs & Fixings Limited	Fastener distributors

Details of the subsidiary undertaking:

Name of company	Aggregate capital and reserves		Profit (loss) for the year	
	1996	1995	1996	1995
	£	£	£	£
R S R (Forgings) Limited	279,702	245,873	33,829	88,785
R S R Springs & Fixings Limited	(10,748)	N/A	(15,299)	N/A
	<hr/>	<hr/>	<hr/>	<hr/>

R S ROWLANDS LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET (continued)

At 31 January 1996

4 CREDITORS - amounts falling due within one year

	1996 £	1995 £
These creditors include:		
Obligations under finance leases and hire purchase contracts	2,333	3,500
	<u>2,333</u>	<u>3,500</u>

5 CREDITORS - amounts falling due after
more than one year

	1996 £	1995 £
Obligations under finance leases and hire purchase contracts	-	2,333
	<u>-</u>	<u>2,333</u>

6 CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised 1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>