

A & S FABRICATIONS (NOTTINGHAM) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

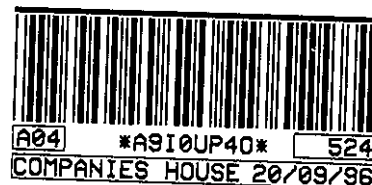
31ST MARCH 1996

Registered No: 1806998

HKM LIMITED

CHARTERED ACCOUNTANTS

LEICESTER



A & S FABRICATIONS (NOTTINGHAM) LIMITED

**AUDITORS' REPORT TO THE DIRECTORS OF A & S FABRICATIONS (NOTTINGHAM) LIMITED
PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of A & S Fabrications (Nottingham) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 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 2 and whether the abbreviated accounts have been properly prepared.

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 exemption conferred by Section A of Part III of Schedule 8 to the Act, in respect of the year ended 31st March 1996 and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 12th August 1996 we reported, as auditors of A & S Fabrications (Nottingham) Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1996, and our audit report was as follows:

"Auditors' report to the members of A & S Fabrications (Nottingham) Limited

We have audited the financial statements on pages 5 to 12 which have been prepared under 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 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 misstatements, 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 31st March 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.

Leicester
12th August 1996



HKM Limited

Registered Auditors

Chartered Accountants

A & S FABRICATIONS (NOTTINGHAM) LIMITED

ABBREVIATED BALANCE SHEET


31ST MARCH 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible assets	2	22,671	2,080
Current assets			
Stocks and work in progress		5,130	5,750
Debtors	11	32,110	42,723
Cash at bank and in hand		93,086	40,334
		<u>130,326</u>	<u>88,807</u>
Creditors: amounts falling due within one year		<u>(39,550)</u>	<u>(30,385)</u>
Net current assets		90,776	58,422
Net assets		<u>113,447</u>	<u>60,502</u>
Capital and reserves			
Called up share capital	3	2	2
Profit and loss account		113,445	60,500
		<u>113,447</u>	<u>60,502</u>

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

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part I of Schedule 8 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Approved by the board of directors on 12th August 1996.

A.J. Laussi  Director

A & S FABRICATIONS (NOTTINGHAM) LIMITED
NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS
31ST MARCH 1996

1. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. Profits or losses arising on the disposal of items stated at valuation are determined by reference to the difference between the valuation and the sale proceeds.

Depreciation

Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost or valuation less any residual value over their expected useful lives as follows:-

Leasehold land and buildings	15%
Plant and Machinery	15%
Motor vehicles	25%

On disposal of assets in the ordinary course of business adjustments are made to reflect differences between the actual and estimated aggregate depreciation.

Lease and hire purchase agreements

Tangible fixed assets acquired under finance leases and hire purchase agreements are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all productions overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Defined contributitional scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

A & S FABRICATIONS (NOTTINGHAM) LIMITED
NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

31ST MARCH 1996
(continued)

2. Tangible fixed assets

	Leasehold improvements £	Plant & equipment £	Motor vehicles £	Total £
Cost				
At 1st April 1995	5,160	16,636	18,790	40,586
Additions	-	1,612	26,540	28,152
Disposals	-	-	(18,790)	(18,790)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1996	5,160	18,248	26,540	49,948
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1st April 1995	4,774	14,942	18,790	38,506
Charge for year	386	540	6,635	7,561
Disposals	-	-	(18,790)	(18,790)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1996	5,160	15,482	6,635	27,277
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31st March 1996	-	2,766	19,905	22,671
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 1995	386	1,694	-	2,080
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of motor vehicles includes £nil (1995: £nil) in respect of assets held under finance leases and hire purchase contracts.

A & S FABRICATIONS (NOTTINGHAM) LIMITED

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

31ST MARCH 1996

(continued)

3. Share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<hr/>	<hr/>	<hr/>	<hr/>
Allotted called up and fully paid				
Ordinary shares of £1 each	2	2	2	2
	<hr/>	<hr/>	<hr/>	<hr/>

4. Related Party Transactions

The company occupies premises, which are owned by the directors, under an informal lease agreement. The rental charged during the year ended 31st March 1996 was £4,800. The rental is deemed to be at market value.

In addition £3,103 was paid as part of a sponsorship agreement between the company and Mr S Tassi's son.

Following the year end, the company acquired the freehold property that they were occupying for £67,000 from the directors of the company. The valuation was based on professional valuations at the time of acquisition.