

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

FOR

SPECIALIST TECHNOLOGIES LIMITED



SPECIALIST TECHNOLOGIES LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	5

SPECIALIST TECHNOLOGIES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 1997

DIRECTORS: C Davis
T De Bouillane

SECRETARY: C Davis

REGISTERED OFFICE: 34 Trinity Crescent
London
SW17 7AE

REGISTERED NUMBER: 2265000

AUDITORS: Lawes & Co.
Registered Auditor
Boyce's Building
Regent Street
Clifton
Bristol
BS8 4HU

SPECIALIST TECHNOLOGIES LIMITED

REPORT OF THE AUDITORS TO
SPECIALIST TECHNOLOGIES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 December 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

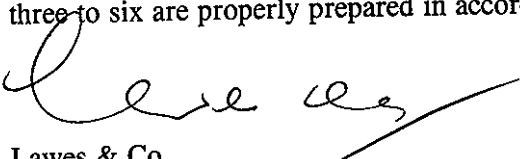
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.



Lawes & Co.
Registered Auditor
Boyce's Building
Regent Street
Clifton
Bristol
BS8 4HU

Dated: 24/8/98

SPECIALIST TECHNOLOGIES LIMITED**ABBREVIATED BALANCE SHEET****31 DECEMBER 1997**

		31.12.97		31.12.96	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		448,428		399,128
Investments	3		4,041		-
			<u>452,469</u>		<u>399,128</u>
CURRENT ASSETS:					
Stocks		530,422		545,263	
Debtors		881,922		893,903	
Cash at bank and in hand		346,688		155,201	
		<u>1,759,032</u>		<u>1,594,367</u>	
CREDITORS: Amounts falling due within one year		<u>1,179,658</u>		<u>1,191,506</u>	
NET CURRENT ASSETS:			<u>579,374</u>		<u>402,861</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>1,031,843</u>		<u>801,989</u>
CREDITORS: Amounts falling due after more than one year			<u>86,277</u>		<u>68,069</u>
			<u>£945,566</u>		<u>£733,920</u>
CAPITAL AND RESERVES:					
Called up share capital	4		100,000		100,000
Profit and loss account			845,566		633,920
Shareholders' funds			<u>£945,566</u>		<u>£733,920</u>

The notes form part of these financial statements

SPECIALIST TECHNOLOGIES LIMITED

ABBREVIATED BALANCE SHEET
31 DECEMBER 1997

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

C Davis - DIRECTOR



T De Bouillane - DIRECTOR



Approved by the Board on 10/2/98.....

The notes form part of these financial statements

SPECIALIST TECHNOLOGIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- not provided
Fixtures, fittings & equipment	- 25% on cost
Computer equipment	- 25% on cost

Stocks

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.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

SPECIALIST TECHNOLOGIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 1997	572,891
Additions	139,349
Disposals	(21,481)
	<hr/>
At 31 December 1997	690,759
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DEPRECIATION:	
At 1 January 1997	173,762
Charge for year	68,569
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At 31 December 1997	242,331
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NET BOOK VALUE:	
At 31 December 1997	448,428
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At 31 December 1996	399,128
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3. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	4,041
	<hr/>
At 31 December 1997	4,041
	<hr/>
NET BOOK VALUE:	
At 31 December 1997	4,041
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4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal	31.12.97	31.12.96
		value:	£	£
100,000	Ordinary	£1	100,000	100,000
			<hr/>	<hr/>