

BEARTALL LIMITED
INDIVIDUAL COMPANY ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1996



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CONTENTS	PAGE NUMBER
Directors and Advisers	1
Directors' Report	2
Auditors' Report	3
Balance Sheet	4
Notes to the Accounts	5

CROSSLEY AND DAVIS
Chartered Accountants
52 Chorley New Road
BOLTON
BL1 4AP

BEARTALL LIMITED

DIRECTORS AND ADVISERS

Directors

Mr D J Farnworth
Mr J Swarsbrick

Company Secretary

Mr J Swarsbrick

Registered Office

Boundary Industrial Estate
Millfield Road
Bolton
BL2 6QW

Auditors

Crossley and Davis
52 Chorley New Road
BOLTON
BL1 4AP

DIRECTORS' REPORT 31 DECEMBER 1996

The directors present their report and audited accounts for the year ended 31 December 1996.

PRINCIPAL ACTIVITY

The company did not trade during the year.

DIRECTORS AND THEIR INTERESTS

The directors at the end of the year and their interests in the shares of the company were as follows:-

	£1 Ordinary Shares	
	Number Held	
	31 December 1996	31 December 1995
Mr D J Farnworth	1	1
Mr J Swarsbrick	-	-

Mr D J Farnworth's share is held jointly with W M L Industrial Holdings Limited.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to :-

- * Select suitable accounting policies and then apply them consistently.
- * Make judgement and estimates that are reasonable and prudent.
- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board

Mr D Farnworth
Director



Approved by the Board on 11 July 1997

We have audited the financial statements on pages 4 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 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 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 as at 31 December 1996 and have been properly prepared in accordance with the provisions of the Companies Act 1985.



CROSSLEY AND DAVIS
Chartered Accountants and Registered Auditor
52 Chorley New Road
BOLTON
BL1 4AP

11 July 1997

BEARTALL LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1996

	NOTES	1996	1995
		£	£
CURRENT ASSETS			
Debtors - Amounts owed by group undertakings		394418	394414
Cash at bank and in hand		-	4
		<u>394418</u>	<u>394418</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - Amounts owed to group undertakings		17786	(17786)
		<u>17786</u>	<u>(17786)</u>
NET CURRENT ASSETS		<u>376632</u>	<u>376632</u>
CAPITAL AND RESERVES			
Called up share capital	2	5000	5000
Profit and loss account		371632	371632
		<u>376632</u>	<u>376632</u>
SHAREHOLDERS' FUNDS		<u>376632</u>	<u>376632</u>

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

On behalf of the Board

Mr D Farnworth
Director



Approved by the Board on 11 July 1997

1. ACCOUNTING POLICIES

a) Basis of Preparation of Accounts

The accounts have been prepared under the historical cost convention.

2. SHARE CAPITAL

	Authorised		Allotted and Fully Paid	
	1996	1995	1996	1995
	£	£	£	£
Ordinary shares of £1 each	5000	5000	5000	5000

3. ULTIMATE HOLDING COMPANY

W M L Industrial Holdings Limited incorporated in England is considered by the directors as being the company's ultimate holding company, which company is controlled by D J Farnworth.

Advantage has been taken of exemptions from related party disclosures in respect of group transactions on the grounds that details are included in the consolidated financial statements of WML Industrial Holdings Limited.

4. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

The company has entered into unlimited cross guarantees to support the bank borrowings of other group companies. At 31 December 1996 the potential liability under such guarantees was £1681747.