

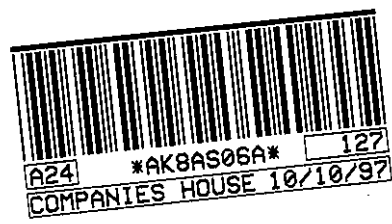
Registered

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BRINETON ENGINEERING COMPANY LIMITED

Company Information

| | |
|-------------------|--|
| Directors | M C Hope G J Madeley J M Hope C A Madeley |
| Secretary | G J Madeley |
| Company Number | 897961 |
| Registered Office | Fieldgate New Street WALSALL West Midlands |
| Auditors | Thorpe Puzey Registered Auditors and Chartered Certified Accountants Oakhurst House 26 Albert Road Tamworth Staffordshire B79 7JS |



BRINETON ENGINEERING COMPANY LIMITED

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Auditors' Report To Brineton Engineering Company Limited

under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of the company for the year ended 31 December 1996 prepared under section 226 of the Companies Act 1985.

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.

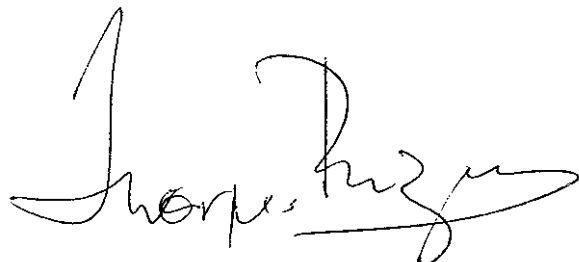
Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

Thorpe Puzey
Oakhurst House
26 Albert Road
Tamworth
Staffordshire
B79 7JS



Chartered Certified Accountants
Registered Auditors

Date : 6 October 1997

BRINETON ENGINEERING COMPANY LIMITED

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Abbreviated Balance Sheet As At 31 December 1996

| | <u>Notes</u> | <u>1996</u> £ | <u>1995</u> £ |
|--|--------------|------------------|------------------|
| <u>FIXED ASSETS</u> | | | |
| Tangible assets | 2 | 225,269 | 212,490 |
| <u>CURRENT ASSETS</u> | | | |
| Stocks | | 8,645 | 15,175 |
| Debtors | 3 | 156,479 | 191,238 |
| Cash at bank and in hand | | 215,630 | 138,888 |
| | | <u>380,754</u> | <u>345,301</u> |
| <u>CREDITORS</u> - amounts falling due within one year | | <u>(178,372)</u> | <u>(178,745)</u> |
| <u>NET CURRENT ASSETS</u> | | <u>202,382</u> | <u>166,556</u> |
| <u>TOTAL ASSETS LESS CURRENT LIABILITIES</u> | | 427,651 | 379,046 |
| <u>CREDITORS</u> - amounts falling due after more than one year | 4 | (49,071) | (64,549) |
| Provisions for liabilities and charges - Deferred Tax | | <u>(7,394)</u> | <u>(8,199)</u> |
| NET ASSETS | | <u>£ 371,186</u> | <u>£ 306,298</u> |

Financed by:

CAPITAL AND RESERVES

| | | | |
|-------------------------|---|------------------|------------------|
| Called up share capital | 5 | 100 | 100 |
| Profit and loss account | | 371,086 | 306,198 |
| | | <u>£ 371,186</u> | <u>£ 306,298</u> |

The abbreviated accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the board on 25 September 1997 and signed on its behalf.

 Director
Name : M C Hope

The notes on pages 5 to 13 form part of the Financial Statements.

Notes to the Abbreviated Accounts

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The Financial Statements are prepared under the Historical Cost Convention, and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

Cash Flow Statements

The company has taken advantage of the exemption in the Financial Reporting Standard No.1 from producing a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents the amounts invoiced excluding Value Added Tax in respect of sale of goods and services to customers.

1.3 Depreciation of tangible assets

Depreciation is calculated to write off the cost of fixed assets on a reducing balance basis over their estimated useful lives.

Rates:

| | |
|----------------------|-----|
| Freehold land: | 0% |
| Leasehold building: | 10% |
| Fixtures & fittings: | 15% |
| Plant & machinery: | 15% |
| Motor vehicles: | 25% |

Tangible fixed assets

Are stated at cost less accumulated depreciation.

Freehold property

No depreciation is provided on the freehold land since it is not a diminishing asset.

1.4 Stocks

Stocks 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.

1.5 Research and development

Expenditure on research and development is written off as incurred.

1.6 Deferred taxation

Provision is made by the liability method for all timing differences which are expected to be reversed in the foreseeable future.

1.7 Pensions

The company operates an externally funded defined contribution scheme for the Directors and the charge for the year is shown in Note 4.

1. The first part of the report is a general
introduction to the subject of the study.

2. The second part of the report is a detailed

description of the methods used in the study.

3. The third part of the report is a

discussion of the results of the study.

4. The fourth part of the report is a

conclusion of the study.

5. The fifth part of the report is a

list of references.

6. The sixth part of the report is a

list of appendices.

7. The seventh part of the report is a

BRINETON ENGINEERING COMPANY LIMITED

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Notes to the Abbreviated Accounts - (continued)

1.8 Foreign Currencies

The company maintains a foreign currency collection Bank Account for U.S customers which is converted at the rates prevailing at the Balance Sheet date.

BRINETON ENGINEERING COMPANY LIMITED

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Notes To The Abbreviated Accounts - (continued)

2 FIXED ASSETS

| | <u>Tangible Fixed Assets</u> £ |
|------------------------|---|
| Cost | |
| At 1st January 1996 | 381,748 |
| Additions | 34,589 |
| Disposals | (14,177) |
| | <hr/> |
| At 31 December 1996 | 402,160 |
| | <hr/> |
| Depreciation | |
| At 1st January 1996 | 169,258 |
| Charge For Year | 17,605 |
| On Disposals | (9,972) |
| | <hr/> |
| At 31 December 1996 | 176,891 |
| | <hr/> |
| Net Book Values | |
| At 31 December 1996 | <u>225,269</u> |
| | <hr/> |
| At 31 December 1995 | <u>212,490</u> |
| | <hr/> |

3 DEBTORS

All are payable within one year.

4 CREDITORS

Creditors include the following amounts repayable by instalments

| | <u>1996</u> £ | <u>1995</u> £ |
|-------------------------|------------------|------------------|
| Repayable after 5 years | - | 7,048 |
| | <hr/> | <hr/> |
| Secured creditors | 76,401 | 84,978 |
| | <hr/> | <hr/> |

5 CALLED UP SHARE CAPITAL

| | <u>1996</u> £ | <u>1995</u> £ |
|---|------------------|------------------|
| Authorised | | |
| Ordinary Shares Of £1 each | 100 | 100 |
| | <hr/> | <hr/> |
| Allotted, called up and fully paid | | |
| Ordinary Shares Of £1 each | 100 | 100 |
| | <hr/> | <hr/> |