

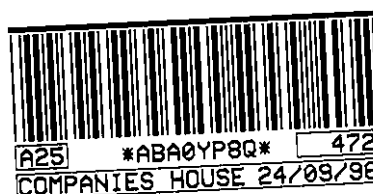
Reports and Financial Statements

THERMOFROST CRYO PLC AND SUBSIDIARIES



FOR THE YEAR ENDED 31 MARCH 1996

1036288



NEVILLE RUSSELL

Chartered Accountants



THERMOFROST CRYO PLC AND SUBSIDIARIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

THERMOFROST CRYO PLC AND SUBSIDIARIES

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THERMOFROST CRYO PLC AND SUBSIDIARIES

COMPANY INFORMATION

COMPANY NUMBER: 1036288

DIRECTORS:

V A D'CRUZ
A D BARWICK
P J SLOPER
M A CROUCHER

SECRETARY:

J E COPPING

REGISTERED OFFICE:

ERNEST AVENUE
WEST NORWOOD
LONDON
SE27 0DA

AUDITORS:

NEVILLE RUSSELL
1 TELFORD WAY
LUTON
BEDFORDSHIRE
LU1 1HT

BANKERS:

NATIONAL WESTMINSTER BANK PLC
BARCLAYS BANK PLC

THERMOFROST CRYO PLC AND SUBSIDIARIES

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 1996.

STATEMENT OF 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 judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- 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.

REVIEW OF THE BUSINESS

The principal activity of the group continued to be dealing in refrigeration equipment and related appliances. Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future. During the previous year a subsidiary undertaking, Unitec Limited, ceased its activity as agent for Maneurop.

QUALITY ASSURANCE

The company's continued commitment to a high standard of customer service has resulted in retaining Registered Firm status under BS.EN.ISO9002:1994.

PAYMENT OF CREDITORS

The group does not have a written policy on the payment of trade creditors. However, the group intends to pay all trade creditors promptly within the payment terms agreed with them.

EMPLOYEE SHARE OPTION AND PROFIT RELATED PAY SCHEMES

The company has a Profit Related Pay Scheme. During the year the Employee Share Option Scheme ceased.

THERMOFROST CRYO PLC AND SUBSIDIARIES

REPORT OF THE DIRECTORS (continued)

RESULTS AND DIVIDENDS

The results of the company and group for the year ended 31 March 1996 are set out in the financial statements on pages 6 to 23. An interim dividend of £2.51 (1995 £nil) per share on the issued ordinary share capital amounting to £1,600,000 (1995 £nil) was paid during the year. The directors do not recommend the payment of any final dividend.

During the year the company purchased a total of 273,114 of its own 25p ordinary shares. The total sum payable for these shares of £1,212,578 has been charged to reserves. The nominal value of these shares has been transferred to the Capital Redemption Reserve.

During the year the group received £601,985 of compensation in connection with the termination of Unitec Limited's agency arrangement. This has been disclosed in the profit and loss account as an exceptional item.

DIRECTORS

The directors set out below have held office during the whole of the period from 1 April 1995 to the date of this report, unless otherwise stated. The interests of the directors holding office on 31 March 1996 in the shares of the company according to the Register of directors' interests were:

	Ordinary Shares of 25p each At 31 March 1996	Ordinary Shares of 25p each At 31 March 1995
G Gozzo (Swedish) (resigned 7.7.95)	-	-
A D Barwick	102,000	105,000
P J Sloper	4,000	4,000
V A D'Cruz	518,334	392,500
M A Croucher (appointed 7.7.95)	-	-

Under the Employee Share Option Scheme, options have been granted to the directors as follows:

	Ordinary Shares of 25p each At 31 March 1996	Ordinary Shares of 25p each At 31 March 1995
P J Sloper	-	3,500

TAXATION STATUS OF THE COMPANY

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

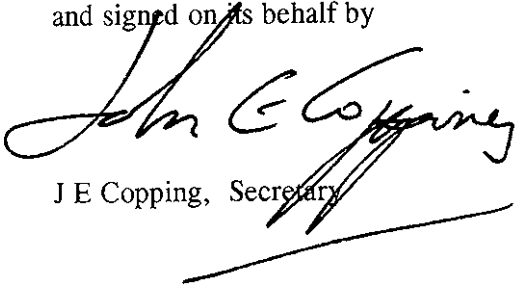
THERMOFROST CRYO PLC AND SUBSIDIARIES

REPORT OF THE DIRECTORS (continued)

AUDITORS

The auditors, Neville Russell, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming annual general meeting.

Approved by the Board on 4 June 1996
and signed on its behalf by

A handwritten signature in dark ink, appearing to read 'J E Copping', is written over a horizontal line. The signature is fluid and cursive.

J E Copping, Secretary

NEVILLE RUSSELL

Chartered Accountants



AUDITORS' REPORT TO THE SHAREHOLDERS OF THERMOFROST CRYO PLC AND SUBSIDIARIES

We have audited the financial statements on pages 6 to 23 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

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 affairs of the company and the group as at 31 March 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors

Date 4 June 1996

THERMOFROST CRYO PLC AND SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1996

	Notes	1996 £	1995 £
TURNOVER	2	10,075,141	9,440,003
Cost of sales		(7,009,280)	(6,632,606)
		<hr/>	<hr/>
GROSS PROFIT		3,065,861	2,807,397
Distribution and selling costs		(505,638)	(542,385)
Administrative expenses		(1,659,320)	(1,854,862)
Other operating income		44,429	202,074
		<hr/>	<hr/>
OPERATING PROFIT		945,332	612,224
Costs in relation to fundamental reorganisation		(69,000)	-
Exceptional income in respect of termination of agency agreement		601,985	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		1,478,317	612,224
Interest receivable and similar income		12,024	27,194
Interest payable and similar charges		(70,085)	(27,617)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	1,420,256	611,801
Taxation on profit on ordinary activities	6	(304,674)	(229,489)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		1,115,582	382,312
Dividends paid	8	(1,600,000)	-
		<hr/>	<hr/>
(ACCUMULATED LOSS) RETAINED PROFIT FOR THE YEAR	7,17	(484,418)	382,312
		<hr/> <hr/>	<hr/> <hr/>

The group's turnover and expenses all relate to continuing operations.

The group has no recognised gains or losses during the period other than the (loss) profit for the year. The (loss) profit for the year has been calculated on the historical cost basis.

THERMOFROST CRYO PLC AND SUBSIDIARIES

BALANCE SHEETS AT 31 MARCH 1996

	Notes	GROUP		COMPANY	
		1996 £	1995 £	1996 £	1995 £
FIXED ASSETS					
Tangible assets	9	1,159,759	1,242,830	1,159,759	1,242,830
Investments:					
group companies	10	-	-	105	105
associated undertaking	11	650	650	650	650
		<hr/>	<hr/>	<hr/>	<hr/>
		1,160,409	1,243,480	1,160,514	1,243,585
		<hr/>	<hr/>	<hr/>	<hr/>
CURRENT ASSETS					
Stocks	12	2,153,336	2,004,774	2,153,336	2,004,774
Debtors	13	2,332,931	3,165,177	2,332,931	3,228,653
Cash at bank and in hand		13,498	21,494	13,479	69
		<hr/>	<hr/>	<hr/>	<hr/>
		4,499,765	5,191,445	4,499,746	5,233,496
		<hr/>	<hr/>	<hr/>	<hr/>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(4,041,751)	(3,118,334)	(4,358,716)	(3,552,367)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		458,014	2,073,111	141,030	1,681,129
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,618,423	3,316,591	1,301,544	2,924,714
		<hr/>	<hr/>	<hr/>	<hr/>
PROVISIONS FOR LIABILITIES AND CHARGES	15	(6,184)	(14,060)	(6,184)	(14,060)
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		1,612,239	3,302,531	1,295,360	2,910,654
		<hr/>	<hr/>	<hr/>	<hr/>
CAPITAL AND RESERVES					
Called up share capital	16	157,784	224,938	157,784	224,938
Profit & loss reserve	17	1,336,575	3,025,573	1,019,696	2,633,696
Capital redemption reserve	17	99,529	31,250	99,529	31,250
Share premium account	17	18,351	20,770	18,351	20,770
		<hr/>	<hr/>	<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	18	1,612,239	3,302,531	1,295,360	2,910,654
		<hr/>	<hr/>	<hr/>	<hr/>

Approved by the Board on 4 June 1996
and signed on its behalf

Directors



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THERMOFROST CRYO PLC AND SUBSIDIARIES

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 1996

	Notes	1996 £	1995 £
Net cash inflow (outflow) from operating activities	19a	2,570,798	(234,720)
Returns on investments and servicing of finance			
Interest received		12,024	27,194
Interest paid		(65,673)	(26,141)
Interest element of finance lease rentals		(4,412)	(1,476)
Dividends paid		(1,600,000)	-
Net cash outflow from returns on investments and servicing of finance		(1,658,061)	(423)
Taxation			
UK corporation tax paid		(339,430)	(181,587)
Investing activities			
Purchase of tangible fixed assets		(65,314)	(213,380)
Proceeds from sale of tangible fixed assets		9,050	54,868
Net cash outflow from investing activities		(56,264)	(158,512)
Net cash inflow (outflow) before financing		517,043	(575,242)
Financing			
Issue of ordinary shares		6,704	24,958
Capital element of finance lease rental payments		(53,716)	(17,062)
Purchase of own shares		(1,212,578)	-
New finance leases		35,815	76,339
Net cash (outflow) inflow from financing		(1,223,775)	84,235
Decrease in cash and cash equivalents	19b	(706,732)	(491,007)

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

1. ACCOUNTING POLICIES

- a) Basis of preparation of group financial statements.

The consolidated financial statements, which are prepared under the historical cost convention, include the financial statements of the company and its subsidiaries, made up to 31 March 1996. No profit and loss account is presented for Thermofrost Cryo Plc as provided by S228(7) of the Companies Act 1985.

The profits and losses of the subsidiary companies are consolidated from the date of acquisition. The difference between the cost of acquisition of shares in the subsidiaries and the amount attributed to their net tangible assets at the effective date of purchase is included as goodwill arising on consolidation. The profits and losses of the associate company is excluded from consolidation as the company does not exercise any influence over the associate company and shares are only held as a long term trade investment.

- b) Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers outside the group.

- c) Depreciation

Depreciation is calculated to write off the cost of fixed assets other than leasehold properties and certain fixtures and fittings on a reducing balance basis over their effective useful lives. Leasehold property is written off on a straight line basis over the term of the lease. Certain fixtures and fittings are written off on a straight line basis over their estimated useful lives.

- d) Stocks

Stocks are stated at the lower of cost and estimated net realisable value. Cost is determined on an average cost basis. Provision is made for slow moving, defective and obsolete stocks.

- e) Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

- f) Intangible fixed assets

Goodwill arising on consolidation has been amortised through the profit and loss account over its estimated useful life.

- g) Foreign currencies

Assets, liabilities, revenue and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which the transaction occurs, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.

In the case of forward contracts in respect of trading transactions, the rates of exchange specified in those contracts are used.

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

1. ACCOUNTING POLICIES (continued)

h) Warranty liability

An accrual is made for the estimated liability on all products which are still the subject of warranty and service agreements.

2. TURNOVER

The turnover and pre-tax profit is attributable to the principal activity, the sale of refrigeration equipment and related components.

The geographical analysis of turnover is given below:

	1996 £	1995 £
United Kingdom	9,902,921	9,317,789
Overseas	172,220	122,214
	<hr/>	<hr/>
	10,075,141	9,440,003
	<hr/>	<hr/>

The group has only common costs and all the turnover is supported by all the net assets of the group irrespective of sales destination.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated:

	1996 £	1995 £
after crediting:		
Interest receivable	718	9,570
Interest receivable from subsidiary company	11,306	17,624
	<hr/>	<hr/>
after charging:		
Depreciation	138,630	142,561
Loss on sale of fixed assets	702	20,885
Auditors' remuneration	12,500	12,000
Emoluments of directors (note 4)	224,641	406,394
Interest payable:		
Bank overdrafts and other loans	65,673	26,141
Hire purchase	4,412	1,476
	<hr/>	<hr/>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

4. DIRECTORS

	1996 £	1995 £
EMOLUMENTS		
Management services	216,931	389,394
Pension scheme contributions	7,710	17,000
	<hr/>	<hr/>
Total emoluments	224,641	406,394
	<hr/>	<hr/>

The emoluments of directors disclosed above
(excluding contributions to the pension scheme)
included amounts paid to:

The Chairman	42,643	-
	<hr/>	<hr/>
The highest paid director	86,673	123,435
	<hr/>	<hr/>

The number of directors who received emoluments
(excluding contributions to the pension scheme) in the
following ranges were:

	Number	Number
£0 to £5,001	2	1
£40,001 to £45,000	1	-
£60,001 to £65,000	-	1
£80,001 to £85,000	1	-
£85,001 to £90,000	1	1
£110,001 to £115,000	-	1
£120,001 to £125,000	-	1
	<hr/>	<hr/>

5. STAFF COSTS

	1996 £	1995 £
Wages and salaries	996,643	1,099,876
Social security costs	107,916	131,009
Other pension costs (see note 20)	43,867	40,668
	<hr/>	<hr/>
	1,148,426	1,271,553
	<hr/>	<hr/>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

5. STAFF COSTS (continued)

The average number of persons employed by the group (including directors) during the year was as follows:

	Number	Number
Management	5	5
Administration	20	19
Sales	18	17
	<hr/>	<hr/>
TOTAL EMPLOYEES	43	41
	<hr/>	<hr/>

6. TAXATION

	1996 £	1995 £
Corporation tax	316,357	229,111
Deferred taxation	(7,876)	378
Overprovision in respect of prior years	(3,807)	-
	<hr/>	<hr/>
	304,674	229,489
	<hr/>	<hr/>

7. PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

The group loss for the financial year after taxation was £484,418 (1995 profit of £382,312) of which a loss of £409,420 (1995 profit of £374,867) has been dealt with in the financial statements of the parent company.

8. DIVIDENDS

	1996 £	1995 £
Ordinary dividends:		
Interim dividend paid of £2.51 (1995 £Nil) per share	1,600,000	-
	<hr/>	<hr/>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

9. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold Land & Buildings Leasehold Properties Long Term £	Fixtures Fittings and Equipment £	Motor Vehicles £	Plant and Machinery £	Total £
COST					
At 1 April 1995	1,060,240	328,195	243,492	54,192	1,686,119
Additions	-	16,989	48,325	-	65,314
Disposals	-	(11,103)	(24,493)	-	(35,596)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1996	1,060,240	334,081	267,324	54,192	1,715,837
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION					
At 1 April 1995	149,351	189,152	60,605	44,181	443,289
Charge for the year	25,982	45,253	64,889	2,506	138,630
Eliminated on disposals	-	(11,103)	(14,738)	-	(25,841)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1996	175,333	223,302	110,756	46,687	556,078
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUES					
At 31 March 1996	884,907	110,779	156,568	7,505	1,159,759
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1995	910,889	139,043	182,887	10,011	1,242,830
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation Rates	2% & 4%	20% & 25%	30%	25%	

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

10. FIXED ASSET INVESTMENTS - GROUP COMPANIES

£

COST

At 1 April 1995 and 31 March 1996

3,036

PROVISIONS FOR DIMINUTION IN VALUE

At 1 April 1995 and 31 March 1996

2,931

NET BOOK VALUES

At 31 March 1995 and 31 March 1996

105

Details of the company's subsidiaries at 31 March 1996 are:

Name	Class of shares held	Percentage held by the company
Cryo Limited	Ordinary	100%
RSM Products Limited	Ordinary	100%
The Specialists Limited	Ordinary	100%
Unitec Limited	Ordinary	100%
United Termofrost Limited	Ordinary	100%

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

11. FIXED ASSET INVESTMENTS - ASSOCIATED UNDERTAKINGS

	GROUP		COMPANY	
	1996	1995	1996	1995
	£	£	£	£
Interest in associated undertaking at cost	650	650	650	650
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Details of the company's investment in associated undertakings at 31 March 1996 are:

Name	Class of shares held	Percentage held by the company
Madics Systems Limited	Ordinary	33.3%

12. STOCKS

	GROUP		COMPANY	
	1996	1995	1996	1995
	£	£	£	£
Finished goods and goods for resale	2,110,199	1,872,793	2,110,199	1,872,793
Goods in transit	43,137	131,981	43,137	131,981
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	2,153,336	2,004,774	2,153,336	2,004,774
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

13. DEBTORS

	GROUP		COMPANY	
	1996	1995	1996	1995
	£	£	£	£
DUE WITHIN ONE YEAR				
Trade debtors	2,092,695	2,180,092	2,092,695	2,118,156
Amounts owed by group companies	-	-	-	926,851
Other debtors	42,885	844,457	42,885	43,018
Prepayments and accrued income	103,575	108,453	103,575	108,453
Corporation tax recoverable	61,601	-	61,601	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,300,756	3,133,002	2,300,756	3,196,478
DUE AFTER MORE THAN ONE YEAR				
Amounts owed by associated company	32,175	32,175	32,175	32,175
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>2,332,931</u>	<u>3,165,177</u>	<u>2,332,931</u>	<u>3,228,653</u>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

14. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	GROUP		COMPANY	
	1996	1995	1996	1995
	£	£	£	£
Bank overdraft and other loans	1,628,176	929,440	1,628,176	929,440
Trade creditors	1,340,783	995,724	1,340,783	995,194
Amounts owed to group companies	-	-	322,965	445,689
Amounts owed to associated company	10,716	-	10,716	-
Advance corporation tax	377,958	-	377,958	-
Corporation tax	-	343,237	-	340,055
Other taxation and social security	348,637	462,061	348,637	461,618
Other creditors	128,615	153,026	128,615	153,026
Amounts due under hire purchase contracts	41,376	59,277	41,376	59,277
Accruals and deferred income	165,490	175,569	159,490	168,068
	<hr/>	<hr/>	<hr/>	<hr/>
	4,041,751	3,118,334	4,358,716	3,552,367
	<hr/>	<hr/>	<hr/>	<hr/>

The bank overdraft and other loans are secured by fixed charges on the freehold and leasehold properties and trade debtors and by a floating charge on the assets of the company.

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

15. PROVISIONS FOR LIABILITIES AND CHARGES

DEFERRED TAXATION		1996		1995	
The Group	Amount Provided £	Amount not Provided £	Amount Provided £	Amount not Provided £	
Tax effect of timing differences arising on:					
Excess of tax allowances over depreciation	6,184	-	14,060	-	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
The Company					
Tax effect of timing differences arising on:					
Excess of tax allowances over depreciation	6,184	-	14,060	-	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1996

16. SHARE CAPITAL

Share capital at 31 March 1996 and 31 March 1995 was as follows:

	Authorised		Allotted, Issued and Fully Paid	
	1996	1995	1996	1995
	£	£	£	£
Ordinary shares of 25p each	500,000	500,000	157,784	224,938
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Under the terms of the Employee Share Option Scheme, an employee took up his options in the shares of the company, and 4,500 ordinary shares were duly issued.

The company made the following share purchases during the year.

Date	Number of Shares Repurchased	Price per Share
26 June 1995	88,888	£4.50
28 July 1995	133,332	£4.50
31 July 1995	44,444	£4.50
25 March 1996	6,450	£1.95
	<u> </u>	
	273,114	
	<u> </u>	

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

17. RESERVES

The Group	Share Premium Account £	Capital Redemption Reserve £	Profit and Loss Reserve £	Total £
At 1 April 1995	20,770	31,250	3,025,573	3,077,593
On shares issued during the year	5,579	-	-	5,579
Retained loss for the year	-	-	(484,418)	(484,418)
On shares repurchased in the year	(7,998)	68,279	(1,204,580)	(1,144,299)
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At 31 March 1996	18,351	99,529	1,336,575	1,454,455
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The Company	Share Premium Account £	Capital Redemption Reserve £	Profit and Loss Reserve £	Total £
At 1 April 1995	20,770	31,250	2,633,696	2,685,716
On shares issued during the year	5,579	-	-	5,579
Retained loss for the year	-	-	(409,420)	(409,420)
On shares repurchased in the year	(7,998)	68,279	(1,204,580)	(1,144,299)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1996	18,351	99,529	1,019,696	1,137,575
	<hr/>	<hr/>	<hr/>	<hr/>

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	GROUP		COMPANY	
	1996	1995	1996	1995
	£	£	£	£
Profit for the financial year	1,115,582	382,312	1,190,580	374,867
Dividends paid	(1,600,000)	-	(1,600,000)	-
Redemption of shares	(1,212,578)	-	(1,212,578)	-
Shares issued at a premium during year	6,704	24,958	6,704	24,958
Net (reduction) increase to shareholders' funds	(1,690,292)	407,270	(1,615,294)	399,825
Opening shareholders' funds	3,302,531	2,895,261	2,910,654	2,510,829
Closing shareholders' funds	1,612,239	3,302,531	1,295,360	2,910,654

19. CASHFLOW STATEMENT

(a) RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES

	1996	1995
	£	£
Operating profit	945,332	612,224
Depreciation	138,630	142,561
Loss on sale of tangible fixed assets	702	20,885
Increase in stocks	(148,562)	(377,512)
Decrease (increase) in debtors	893,847	(875,080)
Increase in creditors	207,864	242,202
	2,037,813	(234,720)
Net cash outflow in relation to fundamental reorganisation	(69,000)	-
Net cash inflow in respect of termination of agency agreement	601,985	-
Net cash inflow (outflow) from operating activities	2,570,798	(234,720)

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

19. CASHFLOW STATEMENT (Continued)

(b) ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1996 £	1995 £	Change in year £
Cash at bank and in hand	13,498	21,494	(7,996)
Bank overdraft and other loans	(1,628,176)	(929,440)	(698,736)
	<hr/>	<hr/>	<hr/>
	(1,614,678)	(907,946)	(706,732)
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(c) ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Share capital (including premium) £	Loans and finance lease obligations £
Balance at 1 April 1995	245,708	59,277
Movements in year	(69,583)	(17,901)
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Balance at 31 March 1996	176,125	41,376
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20. PENSION COMMITMENTS

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the funds and amounted to £43,867 (1995 £40,668).

21. OTHER COMMITMENTS

At 31 March 1996 the company was committed to purchasing foreign currency under forward contract arrangements with a value of £1,125,787 (1995 £634,411).

THERMOFROST CRYO PLC AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

22. RELATED PARTY TRANSACTIONS

During 1994 a loan of £800,000 was made by the company to The Specialists Limited, a subsidiary company. This amount was in turn loaned to a former director, Mr. B. Lindgren. During 1995 this amount was repaid to the company together with interest which had been charged on commercial rates.

23. PARENT UNDERTAKINGS

In the opinion of the directors, the immediate parent company is Rareform Limited and the ultimate parent company is Lansing Securities Limited, a company registered in the British Virgin Islands.