

**NORMAN KNIGHTS LIMITED**

**REPORT AND ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 1996**

**Company Number: 1176860**

**REGISTRAR'S COPY**



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**Directors**

D J Shah  
M J Shah  
N Shah

**Company Secretary**

N Shah

**Business Address and  
Registered Office**

3 Mountview Court  
310 Friern Barnet Lane  
Whetstone  
London N20 0LD

**Bankers**

Barclays Bank plc  
Piccadilly Business Centre  
160 Piccadilly  
London W1A 2AB

**Auditors**

Littlejohn Frazer  
Chartered Accountants  
and Registered Auditors  
1 Park Place  
Canary Wharf  
London E14 4HJ

**To the Directors of Norman Knights Limited**

We have examined the Abbreviated Accounts on pages 4 to 7 together with the full Accounts of Norman Knights Limited for the year ended 31 December 1996.

The scope of our work for the purpose of this report was limited to confirming that the Company is entitled to the exemptions conferred in Part III Section A and the Abbreviated Accounts have been properly prepared in accordance with Schedule 8 from the full Accounts.

In our opinion, the Company is entitled to the exemptions conferred in Part III Section A of Schedule 8 and the Abbreviated Accounts have been properly prepared in accordance with Schedule 8.

We reported as auditors of Norman Knights Limited to the members on 11 July 1997 on the Company's full Accounts prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1996 and our audit opinion was as follows:

"We have audited the Accounts on pages 5 to 14 which have been prepared under the Accounting Policies set out on pages 8 and 9.

**Respective Responsibilities of Directors and Auditors**

As described on page 8 the Company's Directors are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit, on those Accounts and to report our opinion to you.

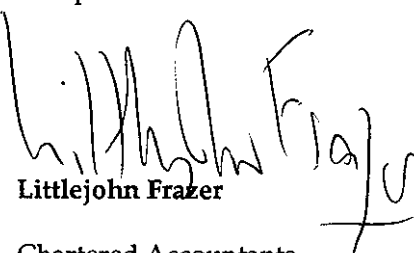
**Basis of Opinion**

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 Accounts. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Accounts, 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 Accounts 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 Accounts.

**Opinion**

In our opinion the Accounts give a true and fair view of the state of the Company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



Littlejohn Frazer

Chartered Accountants  
and Registered Auditors

1 Park Place  
Canary Wharf  
London E14 4HJ

11 July 1997

**NORMAN KNIGHTS LIMITED**

**BALANCE SHEET**  
**At 31 December 1996**

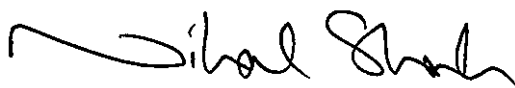
	Note	1996	1995
<b>Fixed Assets</b>			
Tangible assets	1	87,935	105,330
<b>Current Assets</b>			
Stocks		210,310	212,780
Debtors		410,235	503,414
Cash at bank and in hand		62,063	59
		<hr/>	<hr/>
		682,608	716,253
Creditors: due within one year		350,198	415,964
		<hr/>	<hr/>
<b>Net Current Assets</b>		332,410	300,289
		<hr/>	<hr/>
<b>Net Assets</b>		£420,345	£405,619
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Called-up share capital	2	2,000	2,000
Profit and Loss Account		418,345	403,619
		<hr/>	<hr/>
		£420,345	£405,619
		<hr/>	<hr/>

Advantage has been taken of the exemptions for small-sized companies conferred by Part III Section A of Schedule 8 of the Companies Act 1985 because, in the Directors' opinion, the Company is entitled to the benefit from the exemptions as a small-sized company.

Approved by the Board on 4 July 1997.



M J Shah



N Shah

)  
)  
) Directors  
)  
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The Accounting Policies and Notes on pages 5 to 7 form part of these Abbreviated Accounts.

## Statement of Directors' Responsibilities

Company law requires the Directors to prepare Accounts 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 year. In preparing those Accounts the Directors are required to:

- select suitable Accounting Policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the Accounts;
- prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for maintaining 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 Accounts 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. The Accounting Policies selected are set out below.

## Accounting Policies

### Basis of Accounting

The Accounts are prepared under the historical cost basis of accounting, and comply with applicable Accounting Standards.

### Turnover

Turnover represents amounts invoiced to customers excluding VAT, less returns and allowances.

### Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset, less any estimated residual value, evenly over its expected useful life. The expected useful lives of the principal categories are:

Leasehold land and buildings	-	over the lease term
Leasehold improvements	-	over the remaining lease term
Plant and machinery	-	over 10 years
Office equipment	-	over 5 years

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

Cost includes costs incurred in bringing each product to its present location and condition and is calculated on the following basis:

Raw materials	Purchase cost on a first-in, first-out basis.
Work-in-progress and finished goods	Cost of direct materials and labour plus attributable overheads based on normal levels of activity.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

**Leasing Commitments**

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

**Deferred Taxation**

Deferred Taxation is provided at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the Accounts. Provision is made to the extent that it is likely that the liability will crystallise in the foreseeable future.

**Pensions**

The Company operates a Defined Contribution Scheme for its factory and office employees. Amounts payable are charged to the Profit and Loss Account when incurred.

1. Tangible Fixed Assets

Cost	Total
At 1 January 1996	297,302
Additions	4,279
	<hr/>
At 31 December 1996	301,581
	<hr/>
Depreciation	
At 1 January 1996	191,972
Provided during the year	21,674
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At 31 December 1996	213,646
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Net Book Value	
At 31 December 1996	£87,935
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At 31 December 1995	£105,330
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On 10 December 1993 Barclays Bank plc registered a legal mortgage over the leasehold property, together with first fixed charges over any future property and all book debts, and a first floating charge over all other assets. This is in respect of a cross guarantee and debenture with Heatglide Limited, with amounts outstanding of £59,270 (1995 - £131,282).

2. Called-up Share Capital	1996	1995	1996	1995
			Allotted, called-up and fully paid	
	Authorised			
Ordinary shares of £1 each	£10,000	£10,000	£2,000	£2,000
	<hr/>	<hr/>	<hr/>	<hr/>

3. Parent Company

The ultimate Parent Company is regarded by the Directors to be Ticasa Investment Corporation, a company incorporated in Panama. The immediate Parent Company is Heatglide Limited, a company incorporated in England and Wales.