

A/5337

NORMAN KNIGHTS LIMITED

**REPORT AND ABBREVIATED ACCOUNTS
FOR THE FIFTEEN MONTH PERIOD ENDED
31 DECEMBER 1994**

Company Number: 1176860

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Directors

D J Shah
M J Shah

Company Secretary

D J Shah

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 period ended 31 December 1994.

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 21 April 1995 on the Company's full Accounts prepared under Section 226 of the Companies Act 1985 for the period ended 31 December and our audit opinion was as follows:

"We have audited the Accounts on pages 5 to 15 which have been prepared under the Accounting Policies set out on pages 9 and 10.

Respective Responsibilities of Directors and Auditors

As described on page 9 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.

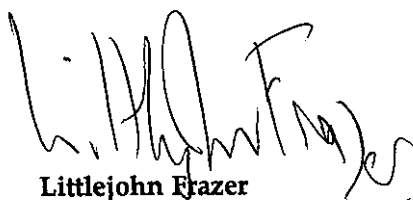
Basis of Opinion

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 1994 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985."



Littlejohn Frazer

Chartered Accountants
and Registered Auditors

22 June 1995

1 Park Place
Canary Wharf
London E14 4HJ

NORMAN KNIGHTS LIMITED

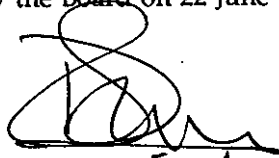
BALANCE SHEET
At 31 December 1994

	Note	31 December 1994	30 September 1993 as restated
Fixed Assets			
Tangible assets	1	125,772	156,204
Current Assets			
Stocks		203,965	159,069
Debtors		463,199	398,108
Cash at bank and in hand		8,247	193,378
		<hr/>	<hr/>
		675,411	750,555
Creditors: due within one year		403,279	343,560
		<hr/>	<hr/>
Net Current Assets		272,132	406,995
		<hr/>	<hr/>
Total Assets less Current Liabilities		£397,904	£563,199
		<hr/>	<hr/>
Capital and Reserves			
Called-up share capital	2	2,000	2,000
Profit and Loss Account		395,904	561,199
		<hr/>	<hr/>
		£397,904	£563,199
		<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 22 June 1995.

D J Shah



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) Directors

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M J Shah



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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 period 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 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 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 and Hire Purchase Commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their expected useful lives.

The interest element of the rental obligations is charged to the Profit and Loss Account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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.

Comparative Figures

Comparative figures relate to a fifteen month period ended 30 September 1993.

1. Tangible Fixed Assets

Cost	Total
At 1 October 1993	307,169
Additions	82
Disposals	(1,250)
	<hr/>
At 31 December 1994	306,001
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Depreciation	
At 1 October 1993	150,965
Provided during the period	30,514
Disposals	(1,250)
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At 31 December 1994	180,229
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Net Book Value	
At 31 December 1994	£125,772
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At 30 September 1993	£156,204
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On 10 December 1993 Barclays Bank plc registered a legal mortgage over all 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.

2. Called-up Share Capital	1994	1993	1994	1993
			Authorised	Allotted, called-up and fully paid
Ordinary shares of £1 each	£10,000	£10,000	£2,000	£2,000
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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 the England and Wales.

