

JHAIDEV ENGINEERING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
AND
AUDITORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 1997

INDEX TO THE ACCOUNTS

Pages	
1	Auditors' Report
2	Abbreviated Balance Sheet
3 to 5	Notes to the Abbreviated Accounts

The company's registered number is 1565298 (England and Wales)



AUDITORS' REPORT
TO JHAIDEV ENGINEERING LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 August 1997 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 2 to 5 are properly prepared in accordance with those provisions.



N.J. Patel & Co.
Chartered Accountants
Registered Auditors

Warley, W Midlands

30 April 1998

JHAIDEV ENGINEERING LIMITED
ABBREVIATED BALANCE SHEET
AT 31 AUGUST 1997

	Notes	1997 £	1996(15 MTH) £
FIXED ASSETS			
Tangible Assets	1b,2	193,052	218,624
CURRENT ASSETS			
Stock	1c	19,973	24,627
Debtors falling due within one year		567,047	471,155
Cash at bank and in hand		676,276	403,362
		1,263,296	899,144
CREDITORS: Amounts falling due within one year		292,104	343,877
NET CURRENT ASSETS		971,192	555,267
TOTAL ASSETS LESS CURRENT LIABILITIES		1,164,244	773,891
CREDITORS: Amounts falling due after more than one year	4	-	3,722
Provisions for Liabilities/Charges		17,055	22,562
		£ 1,147,189	£ 747,607

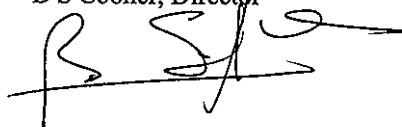
CAPITAL AND RESERVES

Called up share capital	5	3	3
Other reserves		1	1
Profit and loss account		1,147,185	747,603
		£ 1,147,189	£ 747,607

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These abbreviated accounts were approved by the board of directors on 30 April 1998

B S Cooner, Director



The notes on pages 3 to 5 form part of these accounts

JHAIDEV ENGINEERING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 1997

1. ACCOUNTING POLICIES

1a. Basis of accounting

The accounts have been prepared under the historical cost convention.

1b. Tangible fixed assets

Fixed assets are shown at historical cost.

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

	1997	1996(15 MTH)
Freehold buildings - % on cost	2	2
Plant and equipment - % on reducing balance	15	15
Motor vehicles - % on reducing balance	25	25
Fixtures and fittings - % on reducing balance	15	15

1c. Stocks

Stocks and Work in progress is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. A proportion of production overheads are included in stock and work in progress.

1d. Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Advance corporation tax payable on dividends paid or provided for in the year is written off where it is not recoverable.

Deferred taxation (which arises from differences in the timing of the recognition of items, principally depreciation, in the accounts and by the tax authorities) has been calculated on the liability method. Deferred tax is provided on timing differences, which will probably reverse at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse. However, the amount of all deferred tax, including that which will probably not reverse, is shown in note .

1e. Pension costs

The company operates a defined contribution pension scheme the assets of which are held separately from those of the company in an independently administered fund. Contributions payable by the company are charged to the profit and loss account in the period to which they relate.

1f. Turnover

Turnover comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services in the normal course of business.

JHAIDEV ENGINEERING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1997

1. ACCOUNTING POLICIES (CONTINUED)

1g. Leases

Payments under an arrangement which is in substance of a rental nature ('Operating Lease') are charged to profit and loss account on a straight line basis over the operating lease term.

Where assets have been acquired under hire purchase contracts or finance leases the asset is included in tangible assets. Depreciation of such asset is charged to profit and loss account in accordance with the company's normal depreciation policies. Payments are treated as consisting of capital and interest, and the interest element is charged to profit and loss account in equal amounts.

1h. Consolidation

The financial statements only reflect information about the company as an individual undertaking and not about the group. The company being a parent company of a small group is exempt under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. TANGIBLE FIXED ASSETS

	1997 £	1996(15 MTH) £
Cost		
At 1 September 1996	513,321	474,677
Additions	1,999	79,307
Disposals	-	(40,663)
At 31 August 1997	<u>515,320</u>	<u>513,321</u>
Depreciation		
At 1 September 1996	294,697	275,649
Disposals	-	(25,130)
For the year	27,571	44,178
At 31 August 1997	<u>322,268</u>	<u>294,697</u>
Net Book Amounts		
At 31 August 1997	<u>£ 193,052</u>	<u>£ 218,624</u>

Fixed assets net book value includes £5,954 (1996(15 mth) - £36,724) in respect of vehicles/plant on hire purchase.

3. FIXED ASSET INVESTMENTS

The company acquired, at no cost, 100% of the shares in Aapay Merleh Limited, a company registered in England and Wales, which was involved in engineering until its business was transferred to Jhaidev Engineering Limited.

At 31 August 1997 the aggregate share capital and reserves of the subsidiary undertaking amounted to £100.

JHAIDEV ENGINEERING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1997

4. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	1997 £	1996(15 MTH) £
Hire purchase agreements	-	3,722
	<u>£ -</u>	<u>£ 3,722</u>

Included in creditors are secured creditors amounting to £3,721 (1996(15 mth) - £13,561).

5. CALLED UP SHARE CAPITAL

	1997 £	1996(15 MTH) £
Authorised:		
100 Ordinary shares of £1 each	£ 100	£ 100
	<u>£ 100</u>	<u>£ 100</u>
Allotted, issued and fully paid:		
3 Ordinary shares of £1 each	£ 3	£ 3
	<u>£ 3</u>	<u>£ 3</u>

6. RESERVES

	Other reserves £	Profit & loss account £
At 1 September 1996	1	747,603
Profit for the year		399,582
At 31 August 1997	£ 1	£ 1,147,185

Other reserves

	Capital redemption reserve £	Total £
At 1 September 1996	1	1
At 31 August 1997	£ 1	£ 1

7. TRANSACTIONS WITH DIRECTORS

The directors have provided unlimited guarantees to the bank in respect of facilities amounting to £ 3,300.