

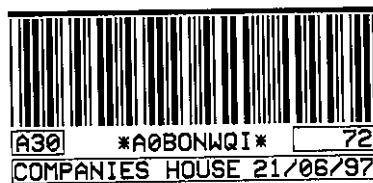
TECHTOOLS (MORDEN) LIMITED

Company No. 1647094

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST AUGUST 1996



Techtools (Morden) Limited
Report of the Directors
For the year ended 31st August 1996

The directors submit their report and accounts for the year ended 31st August 1996.

Principal Activities

The company's business remained that of general merchants throughout the year.

Directors and their interests

The directors and their shareholdings remained unchanged during the year as follows:-

S.H. Abbasbhai Hatimi	-	34 Ordinary £1 Shares
A. Abbasbhai Hatimi	-	33 Ordinary £1 Shares
H. Abbasbhai Hatimi	-	33 Ordinary £1 Shares

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 and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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.

General

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies.

Auditors

Gane Jackson Scott merged their London practice with Kingston Smith with effect from 1st July 1996 and now practice in the name of Kingston Smith. Accordingly the Accountants' report is signed in that name.

Approved by the Directors on X 16.6.97
and signed on their behalf by:

X [Signature] Director

H.A. HATIMI

Techtools (Morden) Limited

Auditors' Report to the Members of Techtools (Morden) Limited

We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the 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.

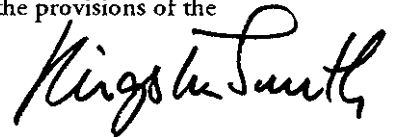
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 the company's affairs at 31st August 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



KINGSTON SMITH
Chartered Accountants
and Registered Auditors

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 20th June 1997

Techtools (Morden) Limited
Profit and Loss Account
For the year ended 31st August 1996

	Note	1996 £	1995 £
Turnover	1	1,155,500	636,492
Cost of Sales		<u>1,017,368</u>	<u>553,106</u>
Gross Profit		138,132	83,386
Administrative Expenses		(93,457)	(96,696)
Exceptional Item - provision no longer required		<u>-</u>	<u>14,352</u>
		44,675	1,042
Other Operating Income		<u>6,814</u>	<u>6,302</u>
Operating Profit	2	51,489	7,344
Interest Receivable		2,338	3,549
Interest Payable		<u>(1,273)</u>	<u>(457)</u>
Profit on Ordinary Activities before Taxation		52,554	10,436
Taxation		<u>12,455</u>	<u>-</u>
Profit for the financial year		40,099	10,436
Retained Profit brought forward		<u>40,579</u>	<u>30,143</u>
Retained Profit carried forward		<u><u>80,678</u></u>	<u><u>40,579</u></u>

All items above relate to continuing operations.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 5 and 6 form part of these accounts.

Techtools (Morden) Limited
Balance Sheet at 31st August 1996

	Note	1996 £	1995 £
Current Assets			
Stock	3	16,630	-
Debtors	4	320,274	134,170
Cash at bank and in hand		<u>89,666</u>	<u>129,186</u>
		426,570	263,356
Creditors: Amounts falling due within one year	5	<u>345,792</u>	<u>222,677</u>
Net Current Assets		<u>80,778</u>	<u>40,679</u>
Total Assets less Current Liabilities		<u><u>80,778</u></u>	<u><u>40,679</u></u>
Capital and Reserves			
Called up Share Capital	7	100	100
Profit and Loss Account		<u>80,678</u>	<u>40,579</u>
Shareholders Funds		<u><u>80,778</u></u>	<u><u>40,679</u></u>

Advantage has been taken in the preparation of these accounts of the special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that the Company qualifies as a small company.

Approved by the directors on 16. 6-97
and signed on their behalf by:

H.A. Hatimi Director
H. A. HATIMI

The notes on pages 5 and 6 form part of these accounts.

Techtools (Morden) Limited

Notes to the Financial Statements

For the year ended 31st August 1996

1 Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the sale of goods and services, net of Value Added Tax.

Stocks

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

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the dates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2 Operating Profit

Operating profit is stated after charging:

Audit fee

1996

£

1995

£

1,635

1,590

3 Stock

1996

£

1995

£

Goods for resale (in transit)

16,630

-

4 Debtors

1996

£

1995

£

Trade debtors

313,543

123,980

Other debtors

6,731

5,450

Corporation tax

-

4,740

320,274

134,170

Techtools (Morden) Limited
Notes to the Financial Statements
For the year ended 31st July 1996 (Continued)

5	Creditors: Amounts falling due within one year	1996	1995
		£	£
	Trade creditors	82,085	47,754
	Taxation	12,455	-
	Other creditors	190,980	114,655
	Amounts owed to related companies	<u>60,272</u>	<u>60,268</u>
		<u>345,792</u>	<u>222,677</u>

6 Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 97% (1995: 100%).

7	Called up Share Capital	1996	1995
		£	£
	Authorised, Issued and Fully Paid		
	100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

8 Reconciliation in Movement of Shareholders Funds

A separate movement of shareholders funds statement is not required as there are no changes for the current or previous year other than retained profit and loss in the profit and loss account.