

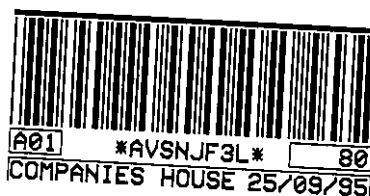
CARNHILL TRANSFORMERS LIMITED

ABBREVIATED STATUTORY ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER, 1994

Company number: 1881904 (England and Wales)

Chapman, Robinson & Moore
Registered Auditors
Accountants
30 Bankside Court
Stationfields
Kidlington
Oxford
OX5 1JE



CARNHILL TRANSFORMERS LIMITED

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**REPORT OF THE AUDITORS TO THE DIRECTORS OF
CARNHILL TRANSFORMERS LIMITED**

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Carnhill Transformers Limited for the year ending 31st December, 1994. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act, 1985 to the exemption conferred by Section A of Part 3 of Schedule 8 to that Act in respect of the year ended 31st December, 1993 and the abbreviated accounts have been properly prepared from the full financial statements.

On 12th April, 1995 we reported as auditors of Carnhill Transformers Limited to the members on the financial statements required by Section 226 of the Companies Act 1985 and our audit report was as follows:

" We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies on page 6 and 7.

Respective responsibilities of directors and auditors

As described on page 1 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 the company's affairs at the 31st December, 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act, 1985. "

Chapman Robinson & Moore

CHAPMAN, ROBINSON & MOORE

Registered auditors and Accountants

30 Bankside Court, Stationfields, Kidlington, Oxford, OX5 1JE

12th April 1995

CARNHILL TRANSFORMERS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER, 1994

	Notes	1994	1993
Fixed assets	2	138,387	57,305
Current assets			
Stock and work in progress		130,035	29,528
Debtors		419,009	149,581
Cash at bank and in hand		289	53,044
		-----	-----
		549,333	232,153
		-----	-----
Creditors: amounts falling due within one year	3	(329,229)	(105,805)
		-----	-----
Net current assets		220,104	126,348
		-----	-----
Total assets less current liabilities		358,491	183,653
		-----	-----
Creditors: amounts falling due after more than one year	3	(172,969)	(6,457)
		-----	-----
Provisions for liabilities and charges		(11,472)	(2,797)
		-----	-----
		£ 174,050	£ 174,399
		=====	=====
Capital and reserves			
Called up Share Capital	4	100	100
Profit and Loss Account		173,950	174,299
		-----	-----
Shareholders funds		£ 174,050	£ 174,399
		=====	=====

Approved by the board of directors on 12th April, 1995 and signed on its behalf.
The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

J.Hall - Director

The notes on pages 3 to 5 form part of these financial statements

CARNHILL TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 1994

1. Accounting Policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors report and which is continuing.

The company has taken advantage of the exemption under FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost *or valuation* of fixed assets, less their estimated residual value, over their expected lives on the following bases:

Office Equipment	- 20% pa reducing balance
Motor Vehicles	- 25% pa reducing balance
Leasehold Property	- 15% pa reducing balance
Plant and equipment	- 20% pa reducing balance

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and depreciated over their estimated useful lives.

CARNHILL TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 1994

(Continued)

1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.8 Research and development

Expenditure on research and development is written off in the year that it is incurred.

1.9 Pensions

The company operates a defined contribution pension scheme and the scheme charge represents the amounts payable by the company to the fund in respect of the year.

2. Tangible Assets

	Total
Cost	-----
As at 1st January, 1994	103,348
Additions	117,349

As at 31st December, 1994	220,697

Depreciation	
As at 1st January, 1994	46,043
Charge for the Year	36,267

As at 31st December, 1994	82,310

Written Down Value	
As at 31st December, 1994	£138,387
	=====
As at 31st December, 1993	£ 57,305
	=====

CARNHILL TRANSFORMERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 1994

(Continued)

3. **Creditors:** amounts falling due within one year
of the creditors £ 222,660 is secured.

4. Called up Share Capital	1994	1993
Authorised: 1000 ordinary shares of £1 each	1,000	1,000
	=====	=====
Issued: 100 ordinary shares of £1 each fully paid	100	100
	=====	=====