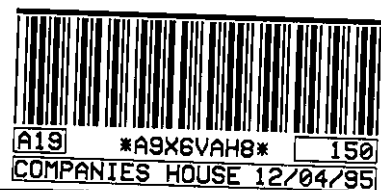


CHEMIQUE ADHESIVES AND SEALANTS LIMITED
COMPANY NUMBER: 1945954

ABBREVIATED ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 1994



Bank Passage, off Market Square, Stafford, ST16 2JS
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CHEMIQUE ADHESIVES AND SEALANTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st December 1994

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CHEMIQUE ADHESIVES AND SEALANTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to
Chemique Adhesives and Sealants Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the financial statements of Chemique Adhesives and Sealants Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1994, and the abbreviated financial statements on pages 2 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 5th April 1995 we reported, as auditors of Chemique Adhesives and Sealants Ltd to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1994, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3, 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.

continued

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
Chemique Adhesives and Sealants Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

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 error or other irregularity. 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 as at 31st December 1994 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.'

Group financial statements

In our opinion the company is entitled, for the year ended 31st December 1994, to the exemption, conferred by section 248 of the Companies Act 1985, from the requirement to prepare group financial statements.

Dean Statham

DEAN STATHAM
Chartered Accountants and
Registered Auditors
Bank Passage
Stafford
ST16 2JS

5th April 1995

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

ABBREVIATED BALANCE SHEET

at 31st December 1994

	Note	£	1994 £	£	1993 £
Fixed assets					
Tangible assets	2		288,809		229,361
Investments	2		2		2
			<u>288,811</u>		<u>229,363</u>
Current assets					
Stocks		140,722		112,548	
Debtors		678,605		466,888	
Cash at bank and in hand		18		699	
		<u>819,345</u>		<u>580,135</u>	
Creditors: amounts falling due within one year		(759,308)		(585,812)	
Net current assets/(liabilities)			<u>60,037</u>		<u>(5,677)</u>
Total assets less current liabilities			348,848		223,686
Creditors: amounts falling due after more than one year	3		(90,000)		(38,995)
			<u>258,848</u>		<u>184,691</u>
Capital and reserves					
Called up share capital	4		50,000		50,000
Profit and loss account			208,848		134,691
Total shareholders' funds			<u>258,848</u>		<u>184,691</u>

continued

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

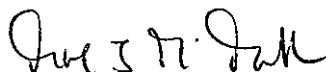
ABBREVIATED BALANCE SHEET
(continued)

at 31st December 1994

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 5th April 1995.



M. J. McMullen
Director

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1994

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	7.5% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	7.5% reducing balance

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1994

2 Fixed assets

Cost or valuation	Tangible fixed assets £	Fixed asset investments £	Total £
31st December 1993	348,268	2	348,270
Additions	99,221	-	99,221
31st December 1994	447,489	2	447,491
Depreciation			
31st December 1993	118,907	-	118,907
Charge for year	39,773	-	39,773
31st December 1994	158,680	-	158,680
Net book amount			
31st December 1994	288,809	2	288,811
31st December 1993	229,361	2	229,363
Fixed asset investments			
Name	Class of share	Proportion held	Nature of business
Axil Products Ltd	Ordinary	100%	Adhesives

The capital and reserves of Axil Products Ltd at 31st July 1994 and profit for the year then ended were:

Capital and reserves	£ (31,394)
Loss for the year	£ (31 396)

3 Creditors:

Hire purchase creditors amounting to £18,129 are secured on the assets to which they relate.

The bank overdraft, amounting to £155,668, is secured by a debenture over the company's assets.

Creditors due after one year include a £90,000 loan which is repayable after 5 years.

CHEMIQUE ADHESIVES AND SEALANTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1994

4 Called up share capital

	1994		1993	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Allotted called up and fully paid				
Equity shares				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

5 Directors' transactions

Mr M.McMullen owns one of the units from which the company operates and since 1st March 1989 has rented the premises to the company for a period of 10 years at an annual rent of £24,000.