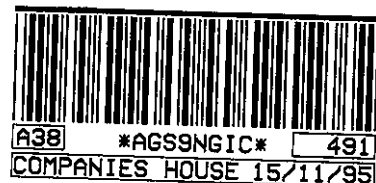


ALDRIDGE FABRICATIONS LIMITED
Registered number 2028134
ABBREVIATED ACCOUNTS

30 JUNE 1995

- 2 Directors' report
- 3 Auditors' report
- 5 Profit and loss account
- 7 Balance sheet
- 8 Notes to the accounts



ALDRIDGE FABRICATIONS LIMITED

DIRECTORS' REPORT

The directors submit their report and the accounts for the year ended 30 June 1995.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial year. In doing so the directors are required to :

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- 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 that 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.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of manufacturer of steel fabrications and material handling equipment and general engineers. The directors consider that the trading result for the year and the state of affairs at the end of the year were satisfactory. The directors do not anticipate any significant change in the business.

MARKET VALUE OF LAND AND BUILDINGS

The company's land and buildings are included at the professional valuations made in March 1992.

DIVIDENDS AND APPROPRIATIONS

An interim dividend of £300,000 has been paid during the year. The directors propose that the profit and loss account deficit of £41,033 be taken to reserves.

DIRECTORS

Mr R.K. Wilkinson resigned on 1 December 1994 and Mr T.Hazell was appointed on that date. Mr. D.W. Neville, Mr. R Jackson and Mr T Hazell directors of the company were also directors of the ultimate parent company A.F. Holdings Limited. Their interests in the shares of the ultimate parent company are shown in that company's accounts.

No director had any interest in the shares of the company.

AUDITORS

A resolution will be proposed at the annual general meeting to re-appoint Moores Rowland as auditors.

Approved by the board on 26 October 1995
and signed on its behalf by:


D.W. NEVILLE
Director

AUDITORS' REPORT TO THE DIRECTORS OF
ALDRIDGE FABRICATIONS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 16 together with the accounts of Aldridge Fabrications Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 7 and whether the abbreviated accounts 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 full accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those full accounts. 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 accounts.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act in respect of the year ended 30 June 1995, and the abbreviated accounts have been properly prepared in accordance with that Schedule.

Other information

On 10 November 1995 we reported as auditors of Aldridge Fabrications Limited to the members on the full accounts prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1995 and our audit report was as follows:

AUDITORS' REPORT TO THE MEMBERS OF ALDRIDGE FABRICATIONS LIMITED

'We have audited the accounts on pages 4 to 17.

Respective responsibilities of directors and auditors

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors 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 judgements 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 that 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.

AUDITORS' REPORT TO THE DIRECTORS OF
ALDRIDGE FABRICATIONS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985 (continued)

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



MOORES ROWLAND
Chartered Accountants
Registered Auditors
WALSALL

10 November 1995

ALDRIDGE FABRICATIONS LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 June 1995

	Note	1995 £	1994 £
GROSS PROFIT		1,467,178	1,356,242
Net operating expenses	3	(977,851)	(938,601)
OPERATING PROFIT		489,327	417,641
Interest payable	4	(106,060)	(107,251)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	383,267	310,390
Taxation on profit on ordinary activities	6	(124,300)	(82,375)
PROFIT FOR THE FINANCIAL YEAR		258,967	228,015
Dividends	7	(300,000)	-
(DEFICIT) RETAINED PROFIT FOR THE YEAR		(41,033)	228,015
Transfer to revaluation reserve	17	(92,975)	-
Retained profits at 30 June 1994		260,699	32,684
RETAINED PROFITS AT 30 JUNE 1995		126,691	260,699

All the company's operations are continuing.

There are no gains or losses other than the profit for the year.

ALDRIDGE FABRICATIONS LIMITED

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 1995

	1995 £	1994 as restated £
Reported profit on ordinary activities before taxation	383,267	310,390
Realisation of property revaluation deficit of previous years	<u>(92,975)</u>	<u>-</u>
Historical cost profits on ordinary activities before taxation	<u>290,292</u>	<u>310,390</u>
Historical cost (loss) profits for the year retained after taxation	<u>(134,008)</u>	<u>228,015</u>

ALDRIDGE FABRICATIONS LIMITED

BALANCE SHEET
30 June 1995

	Note	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible assets	8		2,335,033		2,372,586
CURRENT ASSETS					
Stocks	10	1,162,149		912,698	
Debtors	11	2,379,933		2,262,776	
Cash at bank and in hand		614		631	
DEBTORS - amounts falling due after more than one year	12	188,054		-	
		<u>3,730,750</u>		<u>3,176,105</u>	
CREDITORS - amounts falling due within one year	13	(3,493,028)		(3,459,454)	
NET CURRENT ASSETS (LIABILITIES)			<u>49,668</u>		<u>(283,349)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,572,755		2,089,237
CREDITORS - amounts falling due after more than one year	14	662,729		137,409	
PROVISIONS FOR LIABILITIES AND CHARGES	15	<u>140,831</u>		<u>141,600</u>	
			<u>(803,560)</u>		<u>(279,009)</u>
			<u>1,769,195</u>		<u>1,810,228</u>
CAPITAL AND RESERVES					
Equity					
Called up share capital	16		1,000,000		1,000,000
Revaluation reserve	17		397,565		304,590
Other reserves	18		244,939		244,939
Profit and loss account			126,691		260,699
Shareholders' funds	22		<u>1,769,195</u>		<u>1,810,228</u>

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

Approved by the board on
and signed on its behalf by:


D.W. NEVILLE
Director

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 1995

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of certain fixed assets

Depreciation of tangible fixed assets

The cost of replacing loose tools and equipment is charged to profit and loss account as and when the replacement takes place.

Plant, equipment and vehicles are depreciated at rates varying between 10% and 25% on the reducing balance. The charge commences from the date the expenditure is incurred.

Freehold land is not depreciated. In the case of long leasehold and freehold buildings, the directors have reassessed the lives of these properties and consider that the residual values are such that depreciation is not significant.

Stocks

Stocks are valued at the lower of cost and net realisable value with due allowance for any obsolete or slow moving items.

Work in progress and finished goods include appropriate overhead expenses. Payments on account relating to work in progress are deducted from work in progress to the extent of the net cost of each contract. If payments on account exceed net cost, the excess is included in creditors.

Hire purchase contracts

Assets held under hire purchase contracts are capitalised as tangible fixed assets and the corresponding liability to pay rentals is shown net of interest in the accounts as amounts owing under hire purchase contracts. The capitalised values of the assets are written off on the reducing balance basis over the estimated useful life of the assets concerned. The interest element is allocated on a straight line basis and is charged in the profit and loss account.

Operating leases

Operating lease costs are charged against profit in the year in which expenditure is incurred.

Deferred taxation

Deferred taxation is calculated by the liability method and provision is made to the extent that it is probable a liability will crystallise.

Pensions

The contributions payable to the defined contribution scheme are charged against profit in the accounting period in which they arise.

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)

Year ended 30 June 1995

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover and profit on ordinary activities are attributable to the principal activity of the company.

Profit on ordinary activities is stated after charging:

	1995 £	1994 £
Depreciation of owned fixed assets	77,842	70,597
Depreciation of fixed assets held under Hire purchase contracts	12,497	12,430
Loss on disposal of fixed assets	23,800	2,072
Directors' emoluments	88,380	80,646
Auditors' remuneration	11,000	11,000
Operating lease rentals for plant and machinery	110,860	131,210
Rents under other operating leases	900	24,150
	<u>77,842</u>	<u>70,597</u>

3. NET OPERATING EXPENSES

	1995 £	1994 £
Distribution costs	280,735	283,395
Administrative costs	697,116	655,206
	<u>977,851</u>	<u>938,601</u>

4. INTEREST PAYABLE

	1995 £	1994 £
Bank overdraft and other loans wholly repayable within five years	77,083	104,229
Hire purchase contracts	3,771	2,810
Interest on overdue tax	591	212
	<u>81,445</u>	<u>107,251</u>
Bank loans, overdrafts and other loans not wholly repayable within five years	24,615	-
	<u>106,060</u>	<u>107,251</u>

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)

Year ended 30 June 1995

5. DIRECTORS AND EMPLOYEES

The average number of persons employed by the company during the year was:

	1995 Number	1994 Number
Production	156	152
Selling and distribution	5	5
Administration	13	14
	<u>174</u>	<u>171</u>

Staff costs include:

	1995 £	1994 £
Wages and salaries	2,667,786	2,568,863
Social security costs	265,032	267,867
Pension costs	5,007	7,958
	<u>2,937,825</u>	<u>2,844,688</u>

The emoluments of the directors were:

For services as executives	<u>88,380</u>	<u>80,646</u>
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The individual directors' emoluments, excluding pension contributions, included:

The chairman and highest paid director	<u>51,049</u>	<u>44,255</u>
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Other directors in the ranges:

	Number	Number
Nil - £ 5,000	2	-
£ 5,001 - £10,000	-	1
£25,001 - £30,000	1	1

A company in which Mr. R.K. Wilkinson to 1 December 1994 and Mr. T. Hazell from 1 December 1994 are employee's received fees totalling £6566 (1994 - £6090). This amount is included in the directors' emoluments shown above.

6. TAXATION

	1995 £	1994 £
Corporation tax at 33%	111,200	73,175
Deferred taxation	13,100	9,200
	<u>124,300</u>	<u>82,375</u>

7. DIVIDENDS

	1995 £	1994 £
Ordinary - interim (paid)	<u>300,000</u>	<u>-</u>

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 1995

8. TANGIBLE FIXED ASSETS

	Long leasehold land and buildings £	Freehold land and buildings £	Plant, equipment and vehicles £	Total £
Cost or valuation				
At 1 July 1994	800,725	797,781	1,779,417	3,377,923
Additions	307	177,566	173,714	351,587
Disposals	-	(298,801)	(1,200)	(300,001)
Reclassification	(123,578)	123,578	-	-
At 30 June 1995	<u>677,454</u>	<u>800,124</u>	<u>1,951,931</u>	<u>3,429,509</u>
Depreciation				
At 1 July 1994	-	-	1,005,337	1,005,337
Charge for the year	-	-	90,339	90,339
Disposals	-	-	(1,200)	(1,200)
At 30 June 1995	<u>-</u>	<u>-</u>	<u>1,094,476</u>	<u>1,094,476</u>
Net book value at 30 June 1995	<u>677,454</u>	<u>800,124</u>	<u>857,455</u>	<u>2,335,033</u>
Net book value at 30 June 1994	<u>800,725</u>	<u>797,781</u>	<u>774,080</u>	<u>2,372,586</u>

The net book value of plant, equipment and vehicles includes £55,081 (1994 £62,867) in respect of assets held under hire purchase contracts.

The additions to plant, equipment and vehicles include £46,650 in respect of internal assets capitalised.

The land and buildings were revalued in March 1992 on an open market basis for their existing uses by Keith Cardale Groves, consultant surveyors.

On the historical cost basis land and buildings would have been included at:

	Long leasehold land and buildings		Freehold land and buildings	
	1995	1994	1995	1994
	£	£	£	£
Cost	492,522	706,733	621,040	620,732
Aggregate depreciation	(23,447)	(23,447)	(10,102)	(10,102)
	<u>469,075</u>	<u>683,286</u>	<u>610,938</u>	<u>610,630</u>

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)

Year ended 30 June 1995

9. INVESTMENTS

	1995 £
Cost	
At 1 July 1994 and at 30 June 1995	3,000
Provision for diminution in value	
At 1 July 1994 and at 30 June 1995	(3,000)
Net book value	
At 30 June 1995	-
At 30 June 1994	-

Details of subsidiary undertakings at the balance sheet date are as follows:

Name of undertaking and business	Class of shares	Holding %	Year end
A.F.M.C. Limited			
Dormant	Ordinary	100.00	30 June
Finchston Limited			
Dormant	Ordinary	100.00	30 June

All subsidiary undertakings are registered in England and Wales.

10. STOCKS

	1995 £	1994 £
Raw materials and consumables	519,734	471,596
Work in progress	642,415	441,102
	<u>1,162,149</u>	<u>912,698</u>

11. DEBTORS

	1995 £	1994 £
Trade debtors	2,272,885	2,143,576
Other debtors	8,896	2,249
Prepayments and accrued income	98,152	112,488
	<u>2,379,933</u>	<u>2,258,313</u>
Advance corporation tax recoverable	-	4,463
	<u>2,379,933</u>	<u>2,262,776</u>

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 1995

12. DEBTORS - amounts falling due after one year

	1995	1994
	£	£
Ultimate parent company	<u>188,054</u>	<u>-</u>

13. CREDITORS - amounts falling due within one year

	1995	1994
	£	£
Trade creditors	1,958,215	1,749,360
Taxation and social security	524,591	446,774
Other creditors	8,906	8,907
Accruals and deferred income	<u>273,664</u>	<u>282,412</u>
	2,765,376	2,487,453
Bank overdrafts and loans	526,277	646,932
Hire purchase contracts	11,933	28,869
Proposed dividends	-	231,827
Corporation tax	<u>189,442</u>	<u>64,373</u>
	<u>3,493,028</u>	<u>3,459,454</u>

Other creditors consists of an amount due to the estate of Mr. W. Jackson, a former director of the company.

The bank overdraft is secured by cross guarantees within the group and by a fixed and floating charge over the assets of the company.

The bank loan is secured as shown in note 14.

Some suppliers include in their conditions of sale a clause under which title to the goods is reserved until payment is made.

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 1995

14. CREDITORS - amounts falling due after more than one year

	1995 £	1994 £
Bank loans	653,280	-
Ultimate parent company	-	120,737
Hire purchase contracts	9,449	16,672
	<u>662,729</u>	<u>137,409</u>
Repayments due after more than one year:		
one to two years	145,449	10,204
two to five years	408,000	6,468
over five years	109,280	-
	<u>662,729</u>	<u>16,672</u>
Ultimate parent company	-	120,737
	<u>662,729</u>	<u>137,409</u>

The bank loan is secured by cross guarantees within the group and by a fixed and floating charge over the assets of the group. It is repayable by equal quarterly instalments of £34,000 and interest is charged at 2% over the LIBOR rate.

15. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	1995 £	1994 £
At 1 July 1994	141,600	132,400
Charge for the year	13,100	9,200
	<u>154,700</u>	<u>141,600</u>
Less advance corporation tax	(13,869)	-
At 30 June 1995	<u>140,831</u>	<u>141,600</u>
The deferred taxation provision at 33% is comprised of:		
Excess of capital allowances over depreciation charged	<u>154,700</u>	<u>141,600</u>
If deferred tax were provided in full the additional liability at 33% would be:		
Replacement of business assets	3,300	3,300
Excess of capital allowances over depreciation charged	<u>118,700</u>	<u>143,300</u>
	<u>122,000</u>	<u>146,600</u>

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)

Year ended 30 June 1995

16. SHARE CAPITAL

	1995 £	1994 £
Authorised, allotted and fully paid:		
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

17. REVALUATION RESERVE

	1995 £
At 1 July 1994	304,590
Realisation of property revaluation deficit	<u>92,975</u>
At 30 June 1995	<u>397,565</u>

18. OTHER RESERVES

	1995 £
Capital reserve arising on the acquisition of the net assets of Finchston Limited	
At 30 June 1994 and 30 June 1995	<u>244,939</u>

19. FINANCIAL COMMITMENTS

Annual commitments under operating leases

	Land and buildings		Other assets	
	1995 £	1994 £	1995 £	1994 £
Operating leases expiring:				
Within one year	-	-	45,433	590
Between one and five years	-	-	22,156	89,836
After five years	<u>900</u>	<u>24,150</u>	<u>-</u>	<u>-</u>
	<u>900</u>	<u>24,150</u>	<u>67,589</u>	<u>90,426</u>

20. CONTINGENT LIABILITIES

The company has guaranteed the bank indebtedness of its group undertakings and has provided its bankers with a fixed and floating charge over long leasehold and freehold properties and book debts, securing the indebtedness of itself and those undertakings, the net amount of which at 30 June 1995 was £1,179,557 (1994 - £1,357,283).

ALDRIDGE FABRICATIONS LIMITED

NOTES TO THE ACCOUNTS (continued)
Year ended 30 June 1995

21. PENSION COMMITMENTS

The company operates a contracted in defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,007 (1994 - £7,958).

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	258,967	228,015
Dividends	(300,000)	-
Opening shareholders' funds	<u>1,810,228</u>	<u>1,582,213</u>
Closing shareholders' funds	<u><u>1,769,195</u></u>	<u><u>1,810,228</u></u>

23. ULTIMATE PARENT COMPANY

The ultimate parent company is A.F. Holdings Limited, which is registered in England and Wales.

Under s248 the ultimate parent company is not required to prepare group accounts.