

REPORT OF THE AUDITORSTO THE DIRECTOR OF AMELEC LIMITED

We have examined the abbreviated accounts on Pages 3-4 together with the full accounts of Amelec Limited for the year ended 31 March 1999. 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 director's statement on Page 3 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the director is entitled under Sections 247 to 249 of the Companies Act 1985 to the exemptions conferred by Section A of Part 111 of Schedule 8 to that Act in respect of the year ended 31 March 1999 and the abbreviated accounts on Pages 3-4 have been properly prepared in accordance with Schedule 8 to the Act.

As Auditors we reported to the members under Section 236 of the Companies Act 1985 on the accounts of the company for the year ended 31 March 1999 as follows:-

(see Page 2)

PAGE 1



CONTINUATION OF THE REPORT OF THE AUDITORS

TO THE DIRECTORS OF AMELEC LIMITED

"We have audited the accounts on Pages 5-9 which have been prepared under the historical cost convention on the basis of the accounting policies set out on Page 7.

Respective responsibilities of directors and auditors

As described on Page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to yourselves.

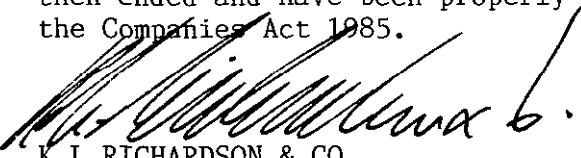
Basis of opinion

Our audit has been conducted in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes the 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.

Our audit was planned and performed so as to obtain all the information and explanations which we deemed necessary to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud, other irregularity, or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

We were unable to attend a physical stocktake on 31 March 1999 whilst we are of the view that Bank Accounts have been correctly incorporated, we have been unable to obtain direct confirmation of bank balances and any securities that may be held by Banks at 31 March 1999 as the company is reluctant to bear the cost quoted by its Bankers. But, subject to this, in our opinion the accounts give a true and fair view of the company's affairs as at 31 March 1999 of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



K L RICHARDSON & CO
CHARTERED ACCOUNTANTS' AND
REGISTERED AUDITORS
1 BROOK SQUARE
RUGELEY
STAFFORDSHIRE
WS15 2DT

Date : 9 November 1999

AMELEC LIMITED

BALANCE SHEET AS AT 31 MARCH 1999

	<u>1998</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>		
Tangible Assets	20164	22612
<u>CURRENT ASSETS</u>		
Stock	61485	72612
Debtors	72722	63468
Cash at Bank	9019	540
	<u>143226</u>	<u>136620</u>
 CREDITORS:		
Amounts falling due within one year	<u>148901</u>	<u>145230</u>
<u>NET CURRENT ASSETS</u>	<u>(5675)</u>	<u>(8610)</u>
<u>TOTAL ASSETS LESS LIABILITIES</u>	<u>14489</u>	<u>14002</u>
 <u>CAPITAL AND RESERVES:-</u>		
Called-Up Share Capital (Note 2)	1000	1000
Profit & Loss Account	13489	13002
	<u>14489</u>	<u>14002</u>

In preparing these abbreviated accounts we have relied upon the exemptions for individual Accounts provided by Section 247 to 249 of the Companies Act 1985 and we have done so on the ground that the company is entitled to the benefit of those exemptions as a small company.

.....DIRECTOR

Approved by the Board
4 November 1999

The notes on Page 4 form part of these abbreviated accounts.

AMELEC LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - 31 MARCH 1999

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Accounts have been prepared under the historical cost convention.

(b) Depreciation

Depreciation is provided at the following annual rates on all tangible fixed assets and is calculated on net Balance Sheet values:-

Furniture & Equipment	20%
Motor Vehicle	25%

(c) Stocks

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

2. CALLED-UP SHARE CAPITAL

AUTHORISED

1000 Ordinary Shares of £1 each	<u>1000</u>
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ISSUED

1000 Ordinary Shares of £1 each, fully paid	<u>1000</u>
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