

LOKFAST STAINLESS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996
COMPANY NUMBER 2141868



G.C. Passed	
Date	Initials
22/1/97	mm

LOKFAST STAINLESS LIMITED

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FOR THE YEAR ENDED 30TH SEPTEMBER 1996**

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AUDITORS' REPORT TO LOKFAST STAINLESS LIMITED
Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985.

We have examined the abbreviated accounts on pages 3 to 7 together with the financial statements of Lokfast Stainless Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th September, 1996.

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 3 and 4 and whether the abbreviated Accounts have been properly prepared.

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 Accounts 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 30th September, 1996, and the abbreviated Accounts on pages 3 to 7 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 22 July 1997 we reported, as auditors of Lokfast Stainless Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th September, 1996, and our audit report was as follows:

"We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention, and the accounting policies set out on pages 7 and 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, 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.

AUDITORS' REPORT TO LOKFAST STAINLESS LIMITED
Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985
(Continued...)

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 as at 30th September, 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.

Cowgill Holloway & Co

COWGILL, HOLLOWAY & CO.
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITOR

22 July 1997

87 Chorley Road
Swinton
Manchester
M27 4AA

LOKFAST STAINLESS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible Assets	2		45,996		37,361
CURRENT ASSETS					
Stocks		139,960		105,044	
Debtors		241,719		137,379	
Cash at Bank and in Hand		38		1,229	
			381,717	243,652	
CREDITORS: Amounts falling due within one year					
	3	327,450		239,145	
NET CURRENT ASSETS					
			54,267		4,507
TOTAL ASSETS LESS CURRENT LIABILITIES					
			100,263		41,868
CREDITORS: Amounts falling due after more than one year					
			6,112		5,653
NET ASSETS					
			94,151		36,215
CAPITAL AND RESERVES					
Called up share capital	4		10,000		10,000
Profit and Loss Account			84,151		26,215
SHAREHOLDERS' FUNDS					
			94,151		36,215

We have taken advantage in the preparation of the abbreviated Accounts of the special exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that the Company qualifies as a small Company.

LOKFAST STAINLESS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1996
(CONTINUED...)

In preparing the Company's annual financial statements we have taken advantage of special exemptions applicable to small Companies conferred by Part I of Schedule 8 to the Companies Act 1985, and have done so on the grounds that the Company is entitled to the exemptions as a small Company.

The abbreviated Accounts on pages 3 to 7 were approved by the Board of Directors on 21 July 1997 and signed on its behalf by:

DIRECTOR



LOKFAST STAINLESS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996****1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with the items which are considered material to the Company's affairs.

(a) Basis of preparation of financial statements.

The financial statements are prepared under the historical cost convention, and incorporate the results of its principal activity which is described in the Directors Report and which is continuing.

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

(b) Turnover

Turnover comprises the invoiced value of goods and services provided by the Company net of trade discounts, VAT and other related taxes.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at the following reducing balance rates:

Motor Vehicles	-	25% per annum
Office Equipment	-	15% per annum

(d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and the cost less estimated residual value depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

(e) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to Profit and Loss Account as incurred.

LOKFAST STAINLESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1996
(CONTINUED....)

(f) Stocks

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

Cost includes all direct costs and an appropriate portion of fixed and variable overheads. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

(g) Pension Costs

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

(h) Deferred Taxation

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

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1st October 1995	58,900
Additions	22,547
Disposals	(12,078)
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At 30th September 1996	69,369
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DEPRECIATION	
At 1st October 1995	21,539
Charge for the Year	8,392
Disposals	(6,558)
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At 30th September 1996	23,373
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NET BOOK VALUE	
At 30th September 1996	45,996
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At 30th September 1995	37,361
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LOKFAST STAINLESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
 FOR THE YEAR ENDED 30TH SEPTEMBER 1996
 (CONTINUED...)

3. SECURED CREDITORS

The total amount of secured creditors at the balance sheet date amounted to £44,356 (1995: £40,552).

4. SHARE CAPITAL

	1996 £	1995 £
Authorised:		
Ordinary Shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid:		
Ordinary Shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>