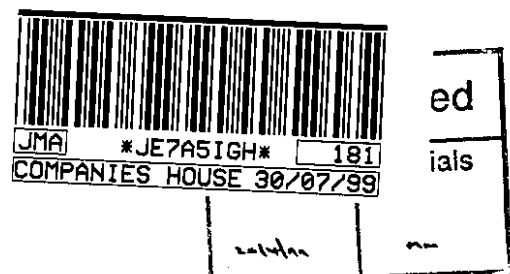


LOKFAST STAINLESS LIMITED  
ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1998  
COMPANY NUMBER 2141868



**LOKFAST STAINLESS LIMITED**

**INDEX TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1998**

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**AUDITORS' REPORT TO LOKFAST STAINLESS LIMITED**  
**Pursuant to Section 247D of the Companies Act 1985**

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of Lokfast Stainless Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th September, 1998.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The Directors are responsible for preparing the abbreviated Accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**BASIS OF OPINION**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**OPINION**

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

*Cowgill Holloway & Co*

**COWGILL, HOLLOWAY & CO.  
CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITOR**

*20 APRIL 1999*

87 Chorley Road  
Swinton  
Manchester  
M27 4AA

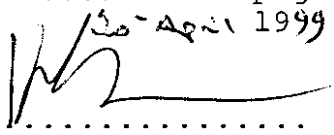
## LOKFAST STAINLESS LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1998

	Notes	£	1998 £	£	1997 £
<b>FIXED ASSETS</b>					
Tangible Assets	2		91,710		78,067
<b>CURRENT ASSETS</b>					
Stocks		173,506		174,376	
Debtors		317,286		278,252	
Cash at Bank and in Hand		22,152		22,484	
		512,944		475,112	
<b>CREDITORS: Amounts falling due within one year</b>	3	446,377		430,431	
<b>NET CURRENT ASSETS</b>			66,567		44,681
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			158,277		122,748
<b>CREDITORS: Amounts falling due after more than one year</b>			-		4,167
<b>NET ASSETS</b>			158,277		118,581
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		10,000		10,000
Profit and Loss Account			148,277		108,581
<b>SHAREHOLDERS' FUNDS</b>			158,277		118,581

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small Companies.

The abbreviated accounts on pages 2 to 5 were approved by the Board of Directors on 30-Apr-1999 and signed on its behalf by:

DIRECTOR ..... 

**LOKFAST STAINLESS LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30TH SEPTEMBER 1998****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 1998  
(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**

	<b>Total £</b>
<b>COST</b>	
At 1st October 1997	105,324
Additions	36,462
Disposals	(11,685)
	<hr/>
At 30th September 1998	130,101
	<hr/>
<b>DEPRECIATION</b>	
At 1st October 1997	27,257
Charge for the Year	16,735
Disposals	(5,601)
	<hr/>
At 30th September 1998	38,391
	<hr/>
<b>NET BOOK VALUE</b>	
At 30th September 1998	91,710
	<hr/>
At 30th September 1997	78,067
	<hr/>

## LOKFAST STAINLESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS  
 FOR THE YEAR ENDED 30TH SEPTEMBER 1998  
 (CONTINUED...)

## 3. SECURED CREDITORS

The total amount of secured creditors at the balance sheet date amounted to £43,348 (1997: £65,327).

## 4. SHARE CAPITAL

	1998 £	1997 £
<b>Authorised:</b>		
Ordinary Shares of £1 each	50,000	50,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid:</b>		
Ordinary Shares of £1 each	10,000	10,000
	<hr/>	<hr/>