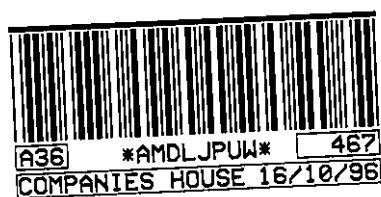


LOKFAST STAINLESS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1995
COMPANY NUMBER 2141868



Q.C. Passed	
Date	Initials
20/10/96	mm

LOKFAST STAINLESS LIMITED

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FOR THE YEAR ENDED 30TH SEPTEMBER 1995**

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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, 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 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, 1995, and the abbreviated Accounts on pages 3 to 7 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 26 September 1996 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, 1995, 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, 1995, 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

26 SEPTEMBER 1996

87 Chorley Road
Swinton
Manchester
M27 4AA

LOKFAST STAINLESS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible Assets	2		37,361		29,680
CURRENT ASSETS					
Stocks		105,044		67,212	
Debtors		137,379		152,446	
Cash at Bank and in Hand		1,229		9,381	
			<u>243,652</u>	<u>229,039</u>	
CREDITORS: Amounts falling due within one year	3	239,145		221,091	
NET CURRENT ASSETS			<u>4,507</u>		<u>7,948</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>41,868</u>		<u>37,628</u>
CREDITORS: Amounts falling due after more than one year	3		<u>5,653</u>		<u>3,750</u>
NET ASSETS			<u><u>36,215</u></u>		<u><u>33,878</u></u>
CAPITAL AND RESERVES					
Called up share capital	4		10,000		100
Profit and Loss Account			26,215		33,778
SHAREHOLDERS' FUNDS			<u><u>36,215</u></u>		<u><u>33,878</u></u>

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.

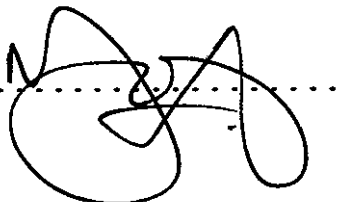
LOKFAST STAINLESS LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH SEPTEMBER 1995
(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 25. 9. 1996 and signed on its behalf by:

DIRECTOR

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke, written over a dotted line.

LOKFAST STAINLESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1995

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 1995
(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 1994	43,591
Additions	21,009
Disposals	(5,700)
	<hr/>
At 30th September 1995	58,900
	<hr/>
DEPRECIATION	
At 1st October 1994	13,911
Charge for the Year	10,322
Disposals	(2,694)
	<hr/>
At 30th September 1995	21,539
	<hr/>
NET BOOK VALUE	
At 30th September 1995	37,361
	<hr/>
At 30th September 1994	29,680
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LOKFAST STAINLESS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
 FOR THE YEAR ENDED 30TH SEPTEMBER 1995
 (CONTINUED...)

3. SECURED CREDITORS

The total amount of secured creditors at the balance sheet date amounted to £40,552 (1994: £37,524).

The total amount of creditors payable by instalments after five years amounted to £Nil.

4. SHARE CAPITAL

	1995 £	1994 £
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	100
	<u> </u>	<u> </u>

An additional 9900 Ordinary Shares were issued by the Company on 22nd March, 1995, by way of capitalisation of revenue reserve.