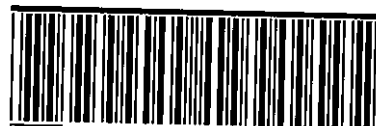


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ALTECNIC (U.K.) LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST JANUARY, 1994



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COMPANIES HOUSE 01/04/95

E.A. SHAKESPEARE F.C.A.
REGISTERED AUDITOR

ALTECNIC (U.K.) LIMITED

DIRECTORS:	S.Gizzi H.Gizzi
SECRETARY:	C.K.Fisher
REGISTERED OFFICE:	Airfield Industrial Estate Hixon Stafford
REGISTERED NUMBER:	02629667
BANKERS:	Barclays Bank plc High Street Burton-on-Trent Staffs
AUDITOR:	E.A.Shakespeare F.C.A. Registered Auditor 28 Kilmore Road Cannock Staffs

ALTECNIC (U.K.) LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY, 1994

CONTENTS

1. Report of the Directors
2. Report of the Auditor
3. Profit and Loss Account
4. Balance Sheet
5. Notes to Accounts
6. Trading and Profit and Loss Account

ALTECNIC (U.K.) LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY, 1994

The Directors' present their annual report with the accounts of the company for the year ended 31st January, 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was property holding company. However, trading was carried out in the domestic appliance industry.

REVIEW OF BUSINESS

A summary of the results for the year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisitions and disposals of fixed assets during the year are shown in note 7.

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

DIRECTORS

The Directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	1994	1993
S.Gizzi)	81	81
H.Gizzi)		

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

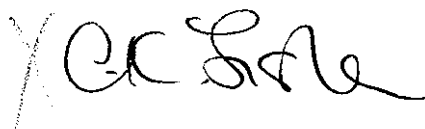
POLITICAL AND CHARITABLE DONATIONS

The Company made no political or charitable contributions during the year.

AUDITOR

The auditor, E.A.Shakespeare F.C.A.will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the
board of directors



AUDITORS REPORT TO THE SHAREHOLDERS OF

ALTECNIC (U.K.) LIMITED

I have audited the financial statements on pages 3 to 5 which have been prepared under the historic cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditor

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and report to you.

Basis of opinion

I conducted my 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 financial circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st January, 1994 and of the Profit for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.

E.A. Shakespeare

E.A. SHAKESPEARE F.C.A.

Registered Auditor

28 Kilmore Road
Cannock
Staffs

12th May, 1994

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY, 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
TURNOVER	2	398,389	154,057
Cost of Sales		374,760	119,452
GROSS PROFIT		23,629	34,605
Rent Receivable		29,800	16,000
		53,429	50,605
Administration Expenses		40,924	39,255
OPERATING PROFIT	3	12,505	11,350
Income from Investments		515	1,866
Interest Payable		13,020	13,216
		9,723	8,282
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,297	4,934
Tax on Ordinary Activities	6	1,366	1,242
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		£ 1,931	£ 3,692
STATEMENT OF RETAINED EARNINGS			
Retained Profit Brought Forward		3,692	-
Prior Year Adjustment	5	1,760	-
		5,452	-
Retained Profit for the Year		1,931	3,692
RETAINED PROFIT CARRIED FORWARD		£ 7,383	£ 3,692

The company has made no recognised gains or losses in 1994 or 1993 other than the profit for the year.

ALTECNIC (U.K.) LIMITED

4.

BALANCE SHEET
AS AT 31ST JANUARY, 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
FIXED ASSETS			
Tangible Assets	7	146,583	193,779
CURRENT ASSETS			
Debtors	8	118,288	3,654
Cash at Bank and in Hand		20,429	21,641
		<u>138,717</u>	<u>25,295</u>
CREDITORS : amounts falling due within one year	9	<u>171,614</u>	<u>94,886</u>
NET CURRENT LIABILITIES		(32,897)	(69,591)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>113,686</u>	<u>124,188</u>
CREDITORS : amounts falling due after more than one year		106,204	120,396
		<u>£ 7,482</u>	<u>£ 3,792</u>
CAPITAL AND RESERVES			
Share Capital	10	100	100
Profit and Loss Account		7,382	3,692
		<u>£ 7,482</u>	<u>£ 3,792</u>

Signed on behalf of the
board of directors


S. Gizzi
Director

Approved by the board: 12th May, 1994

ALTECNIC (U.K.) LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY, 1994

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting convention, modified to incorporate the revaluation of certain fixed assets.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold Property	4% on cost of buildings
Fixtures and Fittings	10% on written down value

No depreciation is provided on freehold land.

Deferred Taxation

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the directors, there is reasonable probability that a liability or asset will crystallise in the foreseeable future.

2. TURNOVER

Turnover has not been analysed by geographical market.

Turnover and Profit before taxation for the year, are attributable to each class of business as follows:

	Turnover		Profit/Loss before taxation	
	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	£	£	£	£
Components for domestic appliances	398,389	154,057	10,216	3,927
Rent Income	29,800	16,000	(6,919)	1,007
	<u>428,189</u>	<u>170,057</u>	<u>3,297</u>	<u>4,934</u>

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY, 1994

3. OPERATING PROFIT

The Operating Loss is stated
after charging:

	<u>1994</u> £	<u>1993</u> £
Amount Written Off Tangible Fixed Assets	4,948	6,719
Staff Costs - note 4	16,902	10,832
Auditors Remuneration	200	200
	<u> </u>	<u> </u>

4. STAFF COSTS

The costs incurred, including directors
remuneration, were as follows:

	<u>1994</u> £	<u>1993</u> £
Wages and Salaries	4,902	10,832
Director's and Staff Incentives	12,000	-
	<u> </u>	<u> </u>

The average weekly number of employees
during the year was as follows:

Office and Management	2	2
Production and Sales	1	1
	<u> </u>	<u> </u>
	3	3
	<u> </u>	<u> </u>

5. PRIOR YEAR ITEMS

Construction costs of the freehold property shown in the 1993 accounts were overcharged due to a duplication of invoices etc.. Consequently, depreciation in those accounts was overprovided by £1,760.

6. TAXATION

The tax charge on the profit on ordinary
activities was as follows:

	<u>1994</u> £	<u>1993</u> £
Corporation Tax	1,366	1,242
	<u> </u>	<u> </u>

Corporation tax has been charged on the profit at 25%.

The taxation charge for the year has been reduced by £35 (1993 £36) in respect of the excess of tax allowances over depreciation on which, in accordance with the company's accounting policy, no deferred taxation has been provided.

The charge for the year has been increased by expenditure not allowable for taxation.

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY, 1994

7. TANGIBLE FIXED ASSETS

	<u>Fixtures & Fittings</u> £	<u>Property</u> £	<u>TOTAL</u>
COST OR VALUATION			
At 1st February, 1993	976	155,513	156,489
DEPRECIATION			
At 1st February, 1993	98	6,621	6,719
Prior Year Adjustment	-	(1,760)	(1,760)
Charge for Year	87	4,860	4,947
At 31st January, 1994	185	9,721	9,906
NET BOOK VALUE			
At 31st January, 1994	791	145,792	146,583

8. DEBTORS

Amounts due within one year:

Trade Debtors	118,288	3,453
Value Added Tax	-	201
	<u>118,288</u>	<u>3,654</u>

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY, 1994

9. CREDITORS

Amounts falling due within one year:	<u>1994</u> £	<u>1993</u> £
Bank Loans and Overdrafts (see below)	15,791	15,079
Trade Creditors	32,006	64,713
Amounts Owed to Associated Companies	92,112	-
Other Creditors:		
Social Security and Other Taxes	4,821	-
Corporation Tax	2,608	1,242
Accruals	24,276	13,852
	<u>171,614</u>	<u>94,886</u>
 Bank Overdraft	 712	 -
Bank Loan Account	15,079	15,079
	<u>15,791</u>	<u>15,079</u>

The bank loan is secured by a charge on the freehold property.

Amounts falling due in more than one year:

Bank Loan	67,619	81,893
Loan-Altecnic Ltd. Pension Scheme	37,000	37,000
Director's Loan Account	1,585	1,503
	<u>106,204</u>	<u>120,396</u>

10. SHARE CAPITAL

	<u>1994</u> £	<u>1993</u> £
Authorised	100	100
Allotted, Issued and Fully Paid	100	100

11. A CASH FLOW STATEMENT has not been prepared as the Company is exempt in accordance with F.R.S.1.