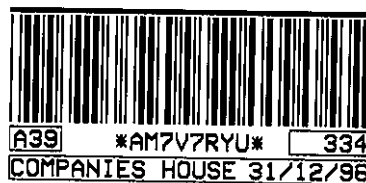


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CHAINTECH (UK) LIMITED

Company Number: 2646338

ABBREVIATED STATUTORY ACCOUNTS
YEAR ENDED 31ST MARCH 1996



KENNETH MORRIS
CHARTERED ACCOUNTANTS

CHAINTECH (UK) LIMITED

ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1996

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1. Report of the Auditors
2. Balance Sheet
3. Notes to Accounts

AUDITORS' REPORT TO
CHAINTECH (UK) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated financial accounts on pages 2 to 3 together with the financial accounts of the company prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1996.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial 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 2 and whether the abbreviated financial accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial accounts, that the company is entitled to the exemptions and that the abbreviated financial accounts have been properly prepared from those financial accounts. 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 accounts.

OPINION

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred in section B of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1996 and the abbreviated financial accounts on pages 2 to 3 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 29th November 1996 we reported, as auditors of the company, to the shareholders on the financial accounts prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1996, and our report was as follows:

'We have audited the financial accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6a.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

continued

AUDITORS' REPORT TO
CHAINTECH (UK) LIMITED
(continued)
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

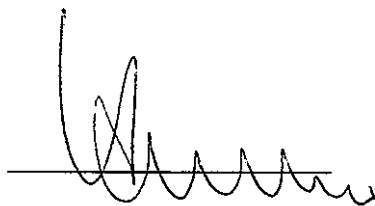
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



KENNETH MORRIS
Registered Auditors
Chartered Accountants
11 New Road
Bromsgrove
Worcestershire
B60 2JF

29th November 1996

CHAINTECH (UK) LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31ST MARCH 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
FIXED ASSETS			
Tangible Assets	2	12,724	17,578
CURRENT ASSETS			
Stock and Work in Progress		22,605	16,788
Debtors		75,003	78,522
Cash at Bank and in Hand		275	19,891
		<u>97,883</u>	<u>115,201</u>
CREDITORS : Amounts Falling Due within One Year	3	<u>(109,677)</u>	<u>(113,342)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(11,794)</u>	<u>1,859</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		930	19,437
CREDITORS : Amounts Falling Due After more than One Year	3	<u>10,398</u>	<u>11,204</u>
		<u>£ (9,468)</u>	<u>£ 8,233</u>
CAPITAL AND RESERVES			
Share Capital	4	1,000	1,000
Profit and Loss Account		<u>(10,468)</u>	<u>7,233</u>
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u>£ (9,468)</u>	<u>£ 8,233</u>

continued.....

CHAINTECH (UK) LIMITEDABBREVIATED BALANCE SHEET

(continued)

AS AT 31ST MARCH 1996

In preparing these abbreviated accounts advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that in the directors' opinion the company is entitled to the benefit of those exemptions as a small company under the provisions of sections 246 and 247 of the Act.

Signed on behalf of the
board of directors



R D Hassan
Director

Approved by the board: 29th November 1996

CHAINTECH (UK) LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 1996**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention.

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:

Motor Vehicles	25% reducing balance
Plant and Equipment	15% reducing balance
Office Equipment, Fixtures and Fittings	10% reducing balance

Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred Taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating loss.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

CHAINTECH (UK) LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 19962. FIXED ASSETS

	<u>Tangible</u> <u>Assets</u> £
COST	
At 1st April 1995	24,185
Additions in year	10,746
Disposals in year	(20,925)
At 31st March 1996	<u>14,006</u>
DEPRECIATION	
At 1st April 1995	6,607
Write off on Disposal	(5,946)
Charge for year	621
At 31st March 1996	<u>1,282</u>
NET BOOK VALUE	
At 31st March 1996	<u>12,724</u>
At 31st March 1995	<u>17,578</u>

CHAINTECH (UK) LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 19963. CREDITORS

Amounts falling due after more than one year:

	<u>1996</u> £	<u>1995</u> £
Employees' Loans	-	2,833
Finance Leases and Hire Purchases Contracts	6,513	1,304
Bank Loan	3,885	7,067
	<u>10,398</u>	<u>11,204</u>

4. SHARE CAPITAL

	<u>1996</u> £	<u>1995</u> £
Authorised	<u>1,000</u>	<u>1,000</u>
Allotted, Issued and Fully Paid	<u>1,000</u>	<u>1,000</u>

5. TRANSACTIONS WITH DIRECTORS

Loans From Directors

	<u>Creditor</u> <u>at the</u> <u>beginning</u> <u>of the year</u> £	<u>Maximum</u> <u>balance</u> <u>during</u> <u>the year</u> £	<u>Creditor</u> <u>at the</u> <u>end</u> <u>of the year</u> £
R D Hassan	4,600	4,600	4,200
P J Child	<u>3,364</u>	<u>3,364</u>	<u>3,364</u>