

REGISTERED NUMBER: 2783872 (England and Wales)

REGISTRAR OF COMPANIES

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2004
FOR
HALL & WATTS (AFRICA) LIMITED



HALL & WATTS (AFRICA) LIMITED

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FOR THE YEAR ENDED 30 APRIL 2004**

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HALL & WATTS (AFRICA) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2004**

DIRECTORS:

John Hoskins
Arvind Thakkar
Alan Evans
Nicholas Brunton

SECRETARY:

Jacqueline Wilmot

REGISTERED OFFICE:

266 Hatfield Road
St Albans
Hertfordshire
AL1 4UN

REGISTERED NUMBER:

2783872 (England and Wales)

AUDITORS:

Ableman Shaw & Co
Chartered Accountants
Registered Auditors
Mercury House
1 Heather Park Drive
Wembley Middlesex
HA0 1SX

BANKERS:

Barclays Bank Plc
32 Clarendon Road
Watford
Hertfordshire
WD1 1LD

HALL & WATTS (AFRICA) LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
HALL & WATTS (AFRICA) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 30 April 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

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.

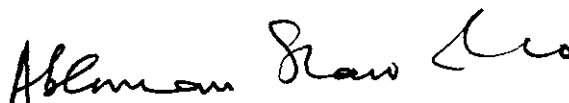
Basis of opinion

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. The scope of our work for the purpose of this report did 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 to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.

Ableman Shaw & Co
Chartered Accountants
Registered Auditors
Mercury House
1 Heather Park Drive
Wembley Middlesex
HA0 1SX



10 March 2005


HALL & WATTS (AFRICA) LIMITED

ABBREVIATED BALANCE SHEET 30 APRIL 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	2	1,741	1,976
Investments	3	522	522
		<u>2,263</u>	<u>2,498</u>
CURRENT ASSETS			
Debtors		80,930	70,805
Cash at bank		14,393	70,907
		<u>95,323</u>	<u>141,712</u>
CREDITORS			
Amounts falling due within one year		<u>239,056</u>	<u>281,927</u>
NET CURRENT LIABILITIES		<u>(143,733)</u>	<u>(140,215)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(141,470)</u>	<u>(137,717)</u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		<u>(141,570)</u>	<u>(137,817)</u>
SHAREHOLDERS' FUNDS		<u>(141,470)</u>	<u>(137,717)</u>

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

ON BEHALF OF THE BOARD:


John Hoskins - Director


Arvind Thakkar - Director

Approved by the Board on 26 January 2005

HALL & WATTS (AFRICA) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Exemption from preparing consolidated financial statements

The financial statements contain information about Hall & Watts (Africa) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 228 of the Companies Act 1985 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Hall & Watts Limited, a company registered in Great Britain.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Fixtures and fittings	- 10% on reducing balance
Computer equipment	- 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 May 2003 and 30 April 2004	7,509
DEPRECIATION	
At 1 May 2003	5,533
Charge for year	235
At 30 April 2004	5,768
NET BOOK VALUE	
At 30 April 2004	1,741
At 30 April 2003	1,976

HALL & WATTS (AFRICA) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

3. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 May 2003	
and 30 April 2004	522
NET BOOK VALUE	
At 30 April 2004	522
At 30 April 2003	522

The company's investments at the balance sheet date in the share capital of companies include the following:

Hall & Watts Africa (Proprietary) Limited

Country of incorporation: Botswana

Nature of business: Sales & Marketing of military & civilian products

	% holding	2004 £	2003 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		7,920	2,571
Profit for the year		5,659	9,903

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004 £	2003 £
100	Ordinary	£1.00	100	100

5. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Hall & Watts Defence Optics Limited and the ultimate parent undertaking is Hall & Watts Limited. Both the companies are incorporated in Great Britain. Hall & Watts Limited prepares group financial statements and copies can be obtained from the registered office.

6. RELATED PARTY DISCLOSURES

During the year ended 30th April 2004, the company paid management charges of £80,000 to Hall & Watts Defence Optics Limited, £35,000 to Hall & Watts Limited and £49,728 to Hall & Watts (Africa) (Proprietary) Limited.

As at 30th April 2004 the balance due from the subsidiary, Hall & Watts (Africa) (Proprietary) Limited, was £10,545. The balance due to the parent undertaking, Hall & Watts Defence Optics Limited, at the balance sheet date was £175,523.

Hall & Watts Defence Optics Limited is the immediate parent undertaking and Hall & Watts Limited is the ultimate parent undertaking of the company.

Hall & Watts (Africa) (Proprietary) Limited is a subsidiary undertaking of the company.