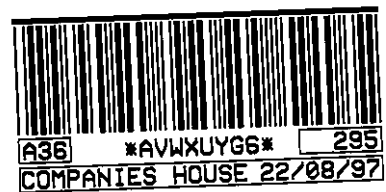


PANEL TECHNOLOGY LIMITED

ABBREVIATED ACCOUNTS

31 MARCH 1997

Registered number: 2952654



HARRISON BEALE

CHARTERED ACCOUNTANTS

COVENTRY

PANEL TECHNOLOGY LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 March 1997

CONTENTS

| | Page |
|-------------------------------|---------|
| Auditors' report | 1 |
| Balance sheet | 2 |
| Notes on abbreviated accounts | 3 and 4 |

PANEL TECHNOLOGY LIMITED**Auditors' report to Panel Technology Limited
pursuant to section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of Panel Technology Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with that section.

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 deliver abbreviated accounts 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 deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of that Act, in respect of the year ended 31 March 1997 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that section.

Harrison Beale
Registered Auditors
Chartered Accountants
15 Queens Road
Coventry
CV1 3DE



19 August 1997

PANEL TECHNOLOGY LIMITED

BALANCE SHEET

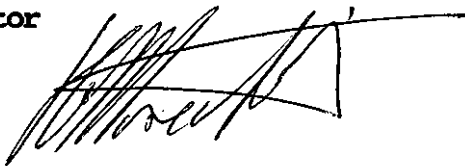
at 31 March 1997

| | Note | 1997 £ | 1996 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 2 | 184,429 | 186,486 |
| Current assets | | | |
| Stocks | | 86,739 | 62,637 |
| Debtors | | 600,852 | 488,494 |
| Cash at bank and in hand | | 10 | 16,941 |
| | | <u>687,601</u> | <u>568,072</u> |
| Creditors: amounts falling due within one year | 3 | (864,079) | (742,634) |
| Net current liabilities | | (176,478) | (174,562) |
| Total assets less current liabilities | | <u>7,951</u> | <u>11,924</u> |
| Provision for liabilities and charges | | (5,864) | (2,777) |
| | | <u>2,087</u> | <u>9,147</u> |
| Capital and reserves | | | |
| Called up share capital | 4 | 2 | 2 |
| Profit and loss account | | 2,085 | 9,145 |
| Total shareholders' funds | | <u>2,087</u> | <u>9,147</u> |

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 4 were approved by the board of directors on 19 August 1997.

H Mosedale
Director



PANEL TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 March 1997

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

At 31 March 1997 the company had net current liabilities of £176,478. Of this amount, in excess of £250,000 is due to Sertec (Birmingham) Limited, a fellow subsidiary of Sertec Group Holdings Limited, which agreed to defer repayment to provide the financial support to enable the business to continue to trade. The directors therefore consider that the company constitutes a going concern. The financial statements have been prepared on this basis.

Owing to the fact that the company is a wholly owned subsidiary of Sertec Group Holdings Limited the company is exempt from having to include a cashflow statement in these financial statements under Financial Reporting Standard 1.

Depreciation

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows :

| | |
|-----------------------|----------------------|
| Plant and machinery | 12% reducing balance |
| Motor vehicles | 25% reducing balance |
| Fixtures and fittings | 10% reducing balance |
| Computer equipment | 25% reducing balance |

No depreciation is charged on freehold property as in the opinion of the directors it is maintained to such a standard that its residual value is always in excess of cost.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

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.

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

PANEL TECHNOLOGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 March 1997

2 Tangible fixed assets

| Cost | Total £ |
|-----------------|----------------|
| 1 April 1996 | 221,959 |
| Additions | 17,150 |
| 31 March 1997 | <u>239,109</u> |
| Depreciation | |
| 1 April 1996 | 35,473 |
| Charge for year | 19,207 |
| 31 March 1997 | <u>54,680</u> |
| Net book amount | |
| 31 March 1997 | <u>184,429</u> |
| 1 April 1996 | <u>186,486</u> |

3 Creditors: amounts falling due within one year

Included in creditors due within one year is a bank overdraft of £178,400. This is secured by a debenture dated 17 February 1995 giving a fixed and floating charge over the assets of the company.

4 Called up share capital

| | 1997 | | 1996 | |
|--------------------------------------|---------------------|--------------|---------------------|--------------|
| | Number of shares | £ | Number of shares | £ |
| Authorised | | | | |
| Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |
| Allotted called up and fully paid | | | | |
| Ordinary shares of £1 each | <u>2</u> | <u>2</u> | <u>2</u> | <u>2</u> |

5 Ultimate parent undertaking

Panel Technology Limited is ultimately wholly owned by Sertec Group Holdings Limited, a company incorporated in England and Wales.