Company No.: 2975955

THE EAGLESCLIFFE ENGINEERING CO. LTD.

AS AT 31 OCTOBER 1997

O'SULLIVAN & CO.

CHARTERED ACCOUNTANTS

REGISTERED AUDITORS



THE EAGLESCLIFFE ENGINEERING CO. LTD.

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 1997

	Note	1997	1	1996	
FIXED ASSETS	2	8,0	20	1,162	
CURRENT ASSETS Debtors Corporation Tax Recoverable Bank and Cash		31,227 6,565 37,792	26,042 1,654 14,391 42,087		
Creditors: Amounts falling due within one year	n 3	23,812	27,516		
NET CURRENT ASSETS		13,9	80	14,571	
			_		
TOTAL ASSETS LESS CURRENT LIABILITIES		22,0	00	15,733	
<u>Creditors:</u> Amounts falling due after more than one year	3	6,6	61		
		15,3	39	15,733	
			_		
CAPITAL & RESERVES Called Up Share Capital Profit & Loss Account	4	15,3	2 337	2 15,731	
SHAREHOLDERS' FUNDS		15,3	39	15,733	

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of S249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit under S249(B)(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with S221 of the Companies Act 1985, and for preparing accounts which gave a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the year in accordance with the requirements of S226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Stephan Jones Director

19 December 1997

The notes on pages 2 and 3 form part of this Abbreviated Balance Sheet.

THE EAGLESCLIFFE ENGINEERING CO. LTD.

NOTES ON ABBREVIATED BALANCE SHEET FOR THE YEAR ENDED 31 OCTOBER 1997

1. Accounting Policies

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

The following accounting policies have been applied consistently in dealing with items which are considered to be material to the financial statements.

(a) Accounting Convention

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

(b) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less estimated residual value, over its expected useful life.

Motor Vehicles Fixtures & Fittings 25% Reducing Balance 15% Reducing Balance

(c) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation 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.

(d) Pensions

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.

THE EAGLESCLIFFE ENGINEERING CO. LTD.

NOTES ON ABBREVIATED BALANCE SHEET FOR THE YEAR ENDED 31 OCTOBER 1997 (Contd.)

2.	Tangible Fixed Assets	Motor <u>Vehicles</u>	Fixtures & <u>Fittings</u>		<u>Total</u>
	Cost As at 1 November 1996 Additions in Year Disposals in Year	1,800 9,391 (1,800)	205 1,000		2,005 10,391 (1,800)
	As at 31 October 1997	9,391	1,205		10,596
	Depreciation As at 1 November 1996 Charge for Year Disposals	787 2,348 (787)	56 172		843 2,520 (787)
	As at 31 October 1997	2,348	228		2,576
	Net Book Value				
	As at 31 October 1997	7,043	977		8,020
	As at 31 October 1996	1,013	149		1,162
3.	Creditors: Include the following: Secured Creditors			1997 8,441	1996
4.	Called Up Share Capital				
	Authorised: 100 Ordinary Shares of £1 Each			100	100
	Allotted, Issued & Fully Paid: 2 Ordinary Shares of £1 Each			2	2
					-

D'SULLIVAN & CO.

CHARTERED ACCOUNTANTS REGISTERED AUDITORS I.T. SOLUTIONS

91 Townhead, Kirkintilloch, Glasgow. G66 1NX.

Tel: 0141-777-6226 Fax: 0141-77 52 399

K.O'Sullivan C.A. Principal

WEB SITE:http://www.osullivan.co.uk E-MAIL:auditors@osullivan.co.uk, it.solutions@osullivan.co.uk

Winners

Best Professional Service Dumbartonshire

Winners

Business in Education Dumbartonshire

Highly Commended People Development Dumbartonshire

(4)

CHARTERED ACCOUNTANT'S REPORT TO THE SHAREHOLDERS OF THE EAGLESCLIFFE ENGINEERING CO. LIMITED

As described on page 1 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the accounts on pages 3 to 7 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.

O'SULLIVAN & CO.

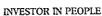
Old Mans

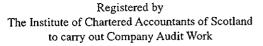
Chartered Accountants

Registered Auditors

19 December 1997









An ISO 9002 QUALITY FIRM