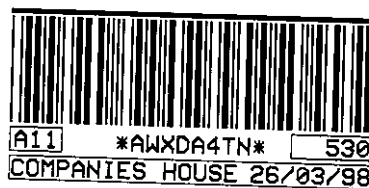


CORLECO (I.O.M.) LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED
28 FEBRUARY 1997**

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CORLECO (I.O.M.) LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 1997

Contents	Pages
Company information	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 5

CORLECO (I.O.M.) LIMITED

COMPANY INFORMATION
AS AT 28 FEBRUARY 1997

REGISTERED NUMBER

Company Number FC020489
Branch Number BR004059

CORLECO (I.O.M.) LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 28 FEBRUARY 1997**

	1997 £	1996 £
TURNOVER	227,598	33,278
Cost of sales	129,812	15,735
GROSS PROFIT	97,786	17,543
Distribution costs	2,454	2,518
Administrative expenses	81,631	25,462
OPERATING PROFIT	13,701	(10,437)
Interest payable and similar charges	(1,389)	(1,099)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	12,312	(11,536)
PROFIT FOR THE PERIOD	12,312	(11,536)

CORLECO (I.O.M.) LIMITED**BALANCE SHEET
AT 28 FEBRUARY 1997**

	Notes	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible assets	2		3,509		6,184
CURRENT ASSETS					
Stocks		11,976		-	
Debtors		30,885		11,463	
		42,861		11,463	
CREDITORS: amounts falling due within one year		(44,530)		(25,226)	
NET CURRENT LIABILITIES			(1,669)		(13,763)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,840		(7,579)
CREDITORS: amounts falling due after more than one year			(1,060)		(3,953)
NET ASSETS			780		(11,532)
CAPITAL AND RESERVES					
Called up share capital	3		4		4
Profit and loss account			776		(11,536)
TOTAL SHAREHOLDERS' FUNDS			780		(11,532)

CORLECO (I.O.M.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 1997

1. STATEMENT OF ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

Depreciation of tangible fixed assets

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

Leased assets	Over the term of the lease
Equipment, fixtures and tools	25% on cost

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 the profit and loss account for the year.

2. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
Cost:	
At 1 March 1996	
Additions	9,182
	410
At 28 February 1997	9,592
Depreciation:	
At 1 March 1996	
Charge for period	2,998
	3,085
At 28 February 1997	6,083
Net book value:	
At 28 February 1997	3,509
At 29 February 1996	6,184

The net book value of tangible assets includes an amount of £2,763 (1996 - £5,519) in respect of assets held under finance leases.

CORLECO (I.O.M.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 1997

3. SHARE CAPITAL

	1997 £	1996 £
Authorised:		
Equity interests:		
4 Ordinary shares of £1 each	<u>4</u>	<u>4</u>
 Allotted, called up and fully paid:		
Equity interests:		
4 Ordinary shares of £1 each	<u>4</u>	<u>4</u>