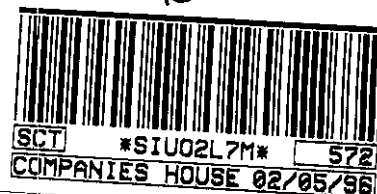


MAXIM POWER TOOLS (SCOTLAND) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 DECEMBER 1995

FRENCH JARVIE MACHARG
Chartered Accountants & Registered Auditors
375 West George Street
Glasgow
G2 4LH



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MAXIM POWER TOOLS (SCOTLAND) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1995

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MAXIM POWER TOOLS (SCOTLAND) LIMITED

AUDITORS' REPORT TO THE COMPANY

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

We have examined the abbreviated accounts on pages 3 to 6, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing abbreviated 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 3 and whether the abbreviated 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 statements, that the company is entitled to the exemptions 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.

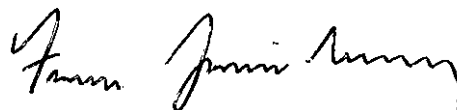
OPINION

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 18 April 1996 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995, and the full text of our audit report is reproduced on page 2 of these financial statements.

375 West George Street
Glasgow
G2 4LH



FRENCH JARVIE MACHARG
Chartered Accountants
& Registered Auditors

18 April 1996

MAXIM POWER TOOLS (SCOTLAND) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 DECEMBER 1995

We have audited the financial statements on pages 5 to 12 which have been prepared in accordance with the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

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

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 statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, 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 statements 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 statements.

OPINION

In view of litigation being conducted by an associated company against a third party information in respect of transactions with directors has not been disclosed in the financial statements. This omission is in contravention of the Companies Act 1985.

Except for the above omission, in our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1995 and of its profit for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

375 West George Street
Glasgow
G2 4LH

FRENCH JARVIE MACHARG
Chartered Accountants
& Registered Auditors

18 April 1996

MAXIM POWER TOOLS (SCOTLAND) LIMITED**ABBREVIATED BALANCE SHEET****31 DECEMBER 1995**

	Note	1995 £	1994 £
FIXED ASSETS	2.		
Tangible assets		69,969	67,847
CURRENT ASSETS			
Stocks		305,980	258,244
Debtors		450,547	373,757
Cash at bank and in hand		1,016	4,173
		<u>757,543</u>	<u>636,174</u>
CREDITORS: Amounts falling due within one year	3.	<u>(490,831)</u>	<u>(435,583)</u>
NET CURRENT ASSETS		266,712	200,591
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>336,681</u>	<u>268,438</u>
CREDITORS: Amounts falling due after more than one year		<u>(83,664)</u>	<u>(24,297)</u>
NET ASSETS		<u>253,017</u>	<u>244,141</u>
CAPITAL AND RESERVES			
Equity share capital	4.	75,000	75,000
Profit and loss account		178,017	169,141
SHAREHOLDERS' FUNDS		<u>253,017</u>	<u>244,141</u>

The directors have taken advantage of the abbreviated disclosure exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In preparing the annual accounts, the directors have taken advantage of the special accounting exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in the opinion of the directors, the company qualifies as a small company. These financial statements were approved by the directors on the 18 April 1996 and are signed on their behalf by:



A KILPATRICK
Director

MAXIM POWER TOOLS (SCOTLAND) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1995

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & machinery	25% Straight line
Fixture & fittings	15% Straight line
Motor vehicles	25% Straight line
Equipment	15% Straight line
Computer equipment	33 1/3% Straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 profit.

MAXIM POWER TOOLS (SCOTLAND) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1995

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1 January 1995	126,381
Additions	35,968
Disposals	(22,579)
At 31 December 1995	<u>139,770</u>
 DEPRECIATION	
At 1 January 1995	58,534
Charge for year	26,765
On disposals	(15,498)
At 31 December 1995	<u>69,801</u>
 NET BOOK VALUE	
At 31 December 1995	<u>69,969</u>
At 31 December 1994	<u>67,847</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1995 £	1994 £
Bank loans and overdrafts	177,440	85,496
Other creditors including taxation and social security	<u>31,224</u>	<u>30,515</u>
	<u>208,664</u>	<u>116,011</u>

MAXIM POWER TOOLS (SCOTLAND) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1995

4. SHARE CAPITAL

Authorised share capital:

	1995	1994
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	1995	1994
	£	£
Ordinary share capital	<u>75,000</u>	<u>75,000</u>

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Rickton Holdings Limited, a company registered in Scotland.