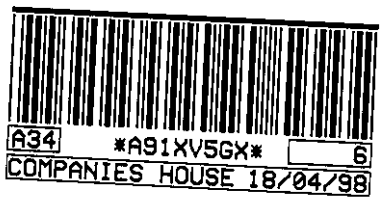
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NYLAPLAS ENGINEERING LIMITED

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1997



AUDITORS' REPORT TO THE DIRECTORS OF NYLAPLAS ENGINEERING LIMITED 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 full financial statements of Nylaplas Engineering Limited for the year ended 31 October 1997.

Respective responsibilities of directors and auditors

The abbreviated accounts are the responsibility of the directors. Our responsibility is to report to you as to whether the company is entitled to the exemptions claimed by the directors and whether the abbreviated accounts have been properly prepared from the full financial statements.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. The audit of abbreviated accounts consists of an assessment of whether the company satisfies the criteria necessary to take advantage of the exemptions available under the Companies Act. It also includes an assessment of whether they have been properly prepared in accordance with the relevant provisions of that Act.

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 October 1997, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

On 16 April 1998 we reported, as auditors of Nylaplas Engineering Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1997, and our audit report was as follows:

> 'We have audited the financial statements on pages 4 to 14 which have been prepared following the accounting policies set out on page 6.
>
> **Respective responsibilities of directors and auditors**
>
> As described on page 1 the company's directors are responsible for the preparation of 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.

AUDITORS' REPORT TO THE DIRECTORS OF NYLAPLAS ENGINEERING LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (CONTINUED)

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 company's circumstances, 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 our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 1997 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Neville Russell

CHARTERED ACCOUNTANTS
and Registered Auditors
Bristol

16 April 1998

NYLAPLAS ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET AT 31 OCTOBER 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	2	723,289	618,267
CURRENT ASSETS			
Stocks		98,120	125,823
Debtors		652,563	566,656
Cash at bank and in hand		260,768	173,327
		1,011,451	865,806
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	(672,758)	(616,360)
NET CURRENT ASSETS		338,693	249,446
TOTAL ASSETS LESS CURRENT LIABILITIES		1,061,982	867,713
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	4	(96,017)	(145,633)
PROVISIONS FOR LIABILITIES AND CHARGES		(39,752)	(20,631)
		926,213	701,449

	Notes	1997 £	1996 £
CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Profit and loss account		925,213	700,449
SHAREHOLDERS' FUNDS		926,213	701,449

Advantage is taken of the exemptions conferred by Section A Part III of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions having met the qualifications for a small company specified in Sections 246 and 247 of the Companies Act 1985.

Approved by the board on 14 April 1998
and signed on its behalf by

L L Bassett

Mrs L L Bassett, Director

Notes to the Abbreviated Accounts for the Year Ended 31 October 1997

1. ACCOUNTING POLICIES

(a) **Accounting convention**

The financial statements are prepared under the historical cost convention.

(b) **Turnover**

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers.

(c) **Depreciation**

Depreciation is calculated to write off the cost or revalued amount less estimated residual value of fixed assets on a reducing balance basis over their estimated useful lives.

(d) **Stocks and work-in-progress**

Stocks and work-in-progress are stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method.

(e) **Deferred taxation**

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

(f) **Leases**

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

(g) **Pension costs**

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Abbreviated Accounts for the Year Ended 31 October 1997

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 November 1996	848,163
Additions	207,571
Disposals	(12,850)
At 31 October 1997	1,042,884
ACCUMULATED DEPRECIATION	
At 1 November 1996	229,896
Charge for the year	95,321
Eliminated on disposals	(5,622)
At 31 October 1997	319,595
NET BOOK VALUE	
At 31 October 1997	723,289
At 31 October 1996	618,267

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

The bank loan is secured by an unlimited debenture over the company's assets and a legal mortgage over the freehold property. The bank loan and overdraft bear interest which fluctuates in line with the inter-bank rate.

Notes to the Abbreviated Accounts for the Year Ended 31 October 1997

4. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1997 £	1996 £
Included in creditors falling due after more than one year are the following:		
Amounts repayable by instalments:		
Not wholly repayable within five years:		
Repayable within five years	-	18,000
Repayable after five years	-	65,358
	-	83,358
Wholly repayable within five years	96,017	62,275
	96,017	145,633

The bank loan is secured by a legal mortgage over the freehold property. It bears interest which fluctuates in line with the interbank rate, which at the year end was 7.00%.

5. SHARE CAPITAL

	Authorised		Allotted, Issued and Fully Paid	
	1997 £	1996 £	1997 £	1996 £
Ordinary shares of £1 each	5,000	5,000	1,000	1,000