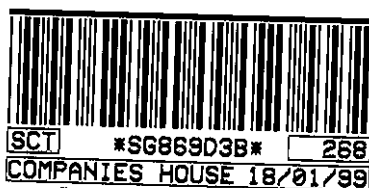


Topek (B.U.R.) Limited**Report and Financial Statements**

Year Ended

31 August 1998



Topek (B.U.R.) Limited

Annual report and financial statements for the year ended 31 August 1998

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Directors

J. Harwood
A.M. Don

Secretary and registered office

Mrs. J.A. Houston, 9 Tollpark Road, Wardpark East, Cumbernauld, Glasgow

Company number

76272

Auditors

BDO Stoy Hayward, Ballantine House, 168 West George Street, Glasgow G2 2PT

Bankers

Clydesdale Bank PLC, 30 St. Vincent Place, Glasgow G1 2HL

Solicitors

MacRoberts, 152 Bath Street, Glasgow G2 4TB

Topek (B.U.R.) Limited**Report of the auditors**

Auditors' report to Topek (B.U.R.) Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 7 together with the financial statements of the company for the year ended 31 August 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

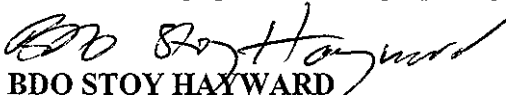
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 7 are properly prepared in accordance with those provisions.


BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Glasgow

8 December 1998

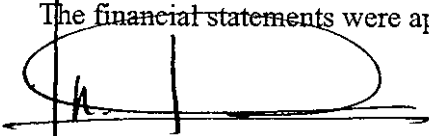
Topek (B.U.R.) Limited

Balance sheet at 31 August 1998

	Note	£	1998	£	£	1997	£
Fixed assets							
Tangible assets	2			135,451			161,036
Investments	3			11,000			11,000
				146,451			172,036
Current assets							
Stocks		219,013			127,915		
Debtors	4	890,658			981,818		
Cash at bank and in hand		50,241			94,251		
				1,159,912			1,203,984
Creditors: amounts falling due within one year	5	1,105,753			1,191,540		
Net current assets				54,159			12,444
Total assets less current liabilities				200,610			184,480
Creditors: amounts falling due after more than one year	6			14,144			34,785
Provisions for liabilities and charges				120,000			144,000
Net assets				66,466			5,695
Capital and reserves							
Called up share capital	7			100			100
Profit and loss account				66,366			5,595
Equity shareholders' funds				66,466			5,695

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

The financial statements were approved by the Board on 8 December 1998.


J. Harwood
 Director

The notes on pages 3 to 7 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Turnover

Turnover represents the value of work done during the year.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Office equipment	-	15% straight line
Plant and equipment	-	25% straight line
Motor vehicles	-	25% straight line

Operating leases

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

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost consists of purchase invoice costs and, where appropriate, attributable overheads.

Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct materials, attributable overheads and profits estimated to be earned to date based on the stage of completion. Net realisable value is based on estimated contract value, less further costs expected to be incurred to completion. Full provision is made for known and anticipated losses on contracts.

Payments received and receivable on account of work done are deducted from the value of work in progress.

Remedial provision

Provision is made for the anticipated cost of remedial work on completed contracts.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

1 Accounting policies (*continued*)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Topek (B.U.R.) Limited

Notes forming part of the financial statements for the year ended 31 August 1998 (*Continued*)

2 Tangible assets

	Total £
<i>Cost</i>	
At 1 September 1997	271,742
Additions	41,327
Disposals	(33,500)
At 31 August 1998	279,569
<i>Depreciation</i>	
At 1 September 1997	110,706
Provided for the year	45,922
Disposals	(12,510)
At 31 August 1998	144,118
<i>Net Book Value</i>	
At 31 August 1998	135,451
At 31 August 1997	161,036

3 Fixed asset investments

	Unlisted investments £
<i>Cost and net book value</i>	
At 1 September 1997	11,000
At 31 August 1998	11,000

Topek (B.U.R.) Limited

Notes forming part of the financial statements for the year ended 31 August 1998 (Continued)

4 Debtors

Included in debtors due within one year is a loan of £1,702 (1997 - £NIL) to the directors. The maximum amount outstanding during the year was £1,702.

The directors' loans are split £1,450 to J. Harwood and £252 to A.M. Don.

5 Creditors: amounts falling due within one year

The bank overdraft amounted to £110,144 at 31 August 1998 (1997 - £123,588).

6 Creditors: amounts falling due after more than one year

	1998 £	1997 £
Net obligations under hire purchase contracts	14,144	34,785

Included within the above are amounts falling due as follows:

In 2 - 5 years:

Hire purchase obligations	14,144	34,785
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The hire purchase obligations are secured on the assets being purchased.

7 Called up share capital

	Authorised		Allotted, called up and fully paid	
	1998 £	1997 £	1998 £	1997 £
Ordinary shares of £1 each	100	100	100	100

8 Contingent liabilities

(a) The company is jointly and severally liable for any value added tax balances owed by the following group company:

Group Topek Holdings Limited

(b) The bank overdraft is secured by a floating charge over the company's assets.

9 Ultimate parent company

The directors regard Group Topek Holdings Limited as the company's ultimate parent company.

Topek (B.U.R.) Limited

Notes forming part of the financial statements for the year ended 31 August 1998 (*Continued*)

10 Controlling party

The company is controlled by J. Harwood