

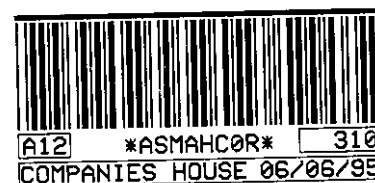
KENBAY COMPACTION SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

For the year ended 28 FEBRUARY 1995

Registered no 2792954

A R Prest & Co
Chartered Accountants



First Floor, 32/34 High Street, Ringwood, Hampshire, BH24 1AG

**Report of the auditors to the directors of
Kenbay Compaction Systems Limited
under paragraph 24 of schedule 8 to the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4, together with the full statutory accounts of the company. The scope of our work for the purpose of this report was limited to confirming the opinion set out in the following paragraph.

In our opinion the company is entitled to the exemptions set out in the directors' statement on page 2 and the abbreviated accounts have been properly prepared in accordance with Part III of Schedule 8 to the Companies Act 1985.

On April 1995 we reported to the shareholders on the statutory accounts of the company for the year ended 28 February 1995, prepared under section 226 of the Companies Act as modified by the exemptions provided by Part I of Schedule 8. Our report under section 235 of the Companies Act 1985 was as follows:

"We have audited the accounts on pages 3 to 8 which have been prepared under the historical cost convention and accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an opinion, based on our audit, on those accounts and to report our opinion to you.

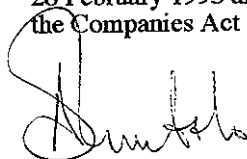
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 presentation of information in the accounts.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 February 1995 and of the profit for the year then ended and are properly prepared in accordance with the Companies Act 1985 applicable to small companies.



A R PREST & Co
Chartered Accountants
Registered Auditors

Ringwood
Hampshire
20 April 1995

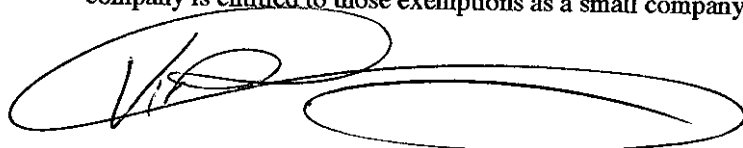
KENBAY COMPACTION SYSTEMS LIMITED

Abbreviated Balance Sheet as at 28 February 1995

	Note	£	1995 £	£	1994 £
Tangible fixed assets	2		50,489		46,887
Current assets					
Stock		109,122		92,291	
Debtors		135,654		114,873	
Cash at bank and in hand		75,237		6,593	
		320,013		213,757	
Creditors:					
Amounts falling due within one year		(373,752)		(283,130)	
			(53,739)		(69,373)
<i>Net current liabilities</i>			(3,250)		(22,486)
Creditors:					
Amounts falling due after more than one year	3		(8,812)		(15,014)
			(12,062)		(37,500)
Capital and reserves					
Share capital	4		3		2
Profit and loss account			(12,065)		(37,502)
			(12,062)		(37,500)

The directors have taken advantage of exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

In the preparation of the company's annual accounts, the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.



K R Coll (Director)

Approved by the board: 28 April 1995

**Notes to the financial statements
for the year ended 28 February 1995**

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. The company is exempt from the requirement to prepare a cash flow statement under the terms of FRS 1.

Tangible fixed assets

Depreciation has been provided on the tangible fixed assets so as to write off their cost over their estimated useful lives at the following rates:

Plant & machinery	20% (reducing balance)
Motor vehicles	25% (reducing balance)
Fixtures & equipment	20% (reducing balance)

Stock

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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.

Leased assets

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

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Pension costs

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