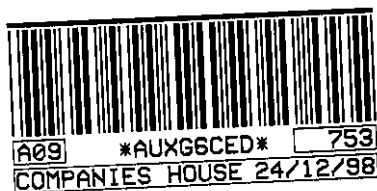


PROPUMP ENGINEERING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30 SEPTEMBER 1998

HEDLEY DUNK
CHARTERED ACCOUNTANTS
DARTFORD



PROPUMP ENGINEERING LIMITED**Auditors' report to
Propump Engineering Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the year ended 30 September 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 considered 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 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 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 4 are properly prepared in accordance with those provisions.


HEDLEY DUNK

CHARTERED ACCOUNTANTS
and Registered Auditors

DARTFORD

22 December 1998

PROPUMP ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET

at 30 September 1998

	Note	£ 1998	£ 1997
Fixed assets			
Tangible assets	2	14,629	29,810
Current assets			
Stocks		2,697	2,689
Debtors		210,272	109,929
Cash at bank and in hand		154,701	143,188
		<u>367,670</u>	<u>255,806</u>
Creditors: amounts falling due within one year		<u>(314,718)</u>	<u>(274,760)</u>
Net current assets/(liabilities)		<u>52,952</u>	<u>(18,954)</u>
Total assets less current liabilities		<u><u>67,581</u></u>	<u><u>10,856</u></u>
Capital and reserves			
Called up share capital	3	100	100
Profit and loss account		67,481	10,756
Total shareholders' funds		<u><u>67,581</u></u>	<u><u>10,856</u></u>

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

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 22 December 1998 and signed on its behalf by:

T R Ansell
Director



PROPUMP ENGINEERING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	33.3% straight line basis
Motor vehicles	25% on written down value
Fixtures and fittings	15% on written down value

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

PROPUMP ENGINEERING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 September 1998

2 Fixed assets

	Tangible fixed assets £
Cost	
1 October 1997	52,407
Additions	5,215
Disposals	(19,028)
30 September 1998	<u>38,594</u>
Depreciation	
1 October 1997	22,597
Charge for year	8,226
Disposals	(6,858)
30 September 1998	<u>23,965</u>
Net book amount	
30 September 1998	<u><u>14,629</u></u>
1 October 1997	<u><u>29,810</u></u>

3 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>