

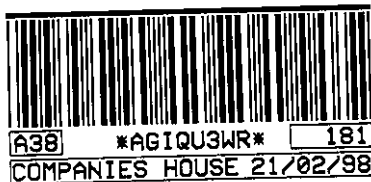
TWYMAN ENGINEERING LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH SEPTEMBER 1997

Registered Number 2625657 England & Wales



TWYMAN ENGINEERING LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30th September 1997

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TWYMAN ENGINEERING LIMITED

**Auditors' report to
Twyman Engineering Limited
under section 247B to the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 6, together with the financial statements of the company for the year ended 30th September 1997 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 6 are properly prepared in accordance with those provisions.

McGregors
Registered Auditors
Chartered Accountants
Bank Chambers
Market Place
Melbourne
Derbys DE73 1DS

16th February 1998

TWYMAN ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET

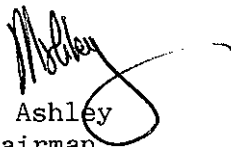
at 30th September 1997

		1997		1996	
	Note	£	£	£	£
Fixed assets					
Tangible assets	2		177,930		210,198
Current assets					
Stocks		26,857		18,439	
Debtors	3	298,909		304,434	
		<u>325,766</u>		<u>322,873</u>	
Creditors: amounts falling due within one year	4	<u>(452,550)</u>		<u>(499,424)</u>	
Net current liabilities			<u>(126,784)</u>		<u>(176,551)</u>
Total assets less current liabilities			51,146		33,647
Creditors: amounts falling due after more than one year	5		<u>(20,639)</u>		<u>(57,387)</u>
			<u>30,507</u>		<u>(23,740)</u>
Capital and reserves					
Called up share capital	6		100		100
Profit and loss account			<u>30,407</u>		<u>(23,840)</u>
Total shareholders' funds					
- Equity interests			<u>30,507</u>		<u>(23,740)</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 6 were approved by the Board of Directors on 16th February 1998.

Signed on behalf of the Board of Directors


J. Ashley
Chairman

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1997

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 conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

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:

Loose Tools	20% straight line
Plant and Machinery	10% straight line
Motor Vehicles	25% straight line
Office Equipment	20% straight line

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability. Rentals applicable to operating leases where substantially all the benefits and risks of the ownership remain with the lessor are charged against the profit incurred.

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. 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.

Turnover

Turnover represents net invoiced sales of goods and services, excluding Value Added Tax.

TWYMAN ENGINEERING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1997

2 Fixed assets

	Tangible fixed assets
	£
Cost/Valuation	
1st October 1996	279,529
Additions	6,202
	<hr/>
30th September 1997	285,731
	<hr/>
Depreciation	
1st October 1996	69,331
Charge for year	38,470
	<hr/>
30th September 1997	107,801
	<hr/>
Net book amount	
30th September 1997	177,930
	<hr/> <hr/>
1st October 1996	210,198
	<hr/> <hr/>

3 Debtors

	1997	1996
	£	£
Amounts falling due within one year		
Trade debtors	290,655	298,234
Other debtors	8,254	6,200
	<hr/>	<hr/>
	298,909	304,434
	<hr/> <hr/>	<hr/> <hr/>

Trade debtors are assigned under a factoring agreement to Alex Lawrie Factors. See Note 4.

TWYMAN ENGINEERING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1997

4 Creditors: amounts falling due within one year

	1997	1996
	£	£

Creditors include the following amounts;

Bank loans (secured)	24,871	24,871
Bank overdraft (secured)	57,314	69,908
Factoring advances (secured)	206,563	183,453
Hire purchase (secured)	10,150	47,460
	24,871	24,871

5 Creditors: amounts falling due after more than one year

Bank loans (secured)	11,334	37,932
Hire purchases (secured)	9,305	19,455
	20,639	57,387

All repayable between two and five years of the Balance Sheet date by instalments.

Security

Factoring creditor

The factoring advances are monies advanced by Alex Lawrie Factors secured on Trade Debtors. See Note 3.

Bank loans and overdraft

Secured by a fixed and floating charge over the company's assets excluding the Trade Debtors and a chattels mortgage over specific plant. Further security is provided by personal guarantees of the directors. The Bank loan facility is supported under the Small Firms Loan Guarantee Scheme.

Hire purchase

Hire purchase and finance lease liabilities are secured on the fixed assets included in Note 2.

TWYMAN ENGINEERING LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1997

6 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Equity Shares				
Authorised				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>