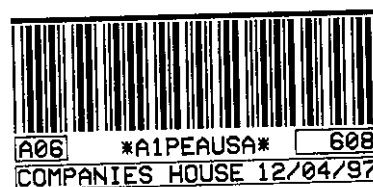


Registered number:  
1278761 (ENGLAND)

COMPANIES  
HOUSE

ALBRIGHT (ENGINEERS) LIMITED

ABBREVIATED STATUTORY ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996



ALBRIGHT (ENGINEERS) LIMITED

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**ALBRIGHT (ENGINEERS) LIMITED****COMPANY INFORMATION**

<b>Directors</b>	R C Catt (Chairman) A D Catt N E L Bedggood
<b>Secretary</b>	A D Catt
<b>Auditors</b>	Leach & Co. Ashley House 18-20 George Street Richmond Surrey
<b>Registered office</b>	Ashley House, 18-20 George Street Richmond Surrey TW9 1PR
<b>Registered number</b>	1278761 (England)

**ALBRIGHT (ENGINEERS) LIMITED****DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 1996**

The directors present their annual report together with the audited financial statements of the company for the year ended 30 September 1996.

**Principal activity**

The principal activity of the company throughout the year continued to be that of manufacture of solenoid switches and switch gear.

**Review of business**

The results for the year are set out in the annexed profit and loss account.

The demand for the company's products continues to be strong, and the directors consider the state of the company's affairs to be satisfactory.

**Dividends**

The directors do not recommend the payment of a final dividend. However a dividend of £750,000 was paid during the year, (1995 £250,000).

**Directors and their interests in the shares of the company**

The directors who held office during the year were as follows:

R. C. Catt  
A. D. Catt  
N. E. L. Bedggood

None of the directors had any beneficial interest in the company's shares. The directors' shareholdings in other group companies during the year are shown in the financial statements of those companies.

**Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is in appropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ALBRIGHT (ENGINEERS) LIMITED****DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 1996****Fixed assets**

The movements in the fixed assets of the company are disclosed in note 5 to the financial statements.

**Charitable donations**

During the year the company made contributions totalling £9,920, (1995 - £5,639).

No political donations were made.

**Auditors**

Messrs Leach & Co., have expressed their willingness to continue in office, and a resolution proposing their re-appointment will be put to the annual general meeting.

Signed on behalf of the board of directors

A handwritten signature in dark ink, appearing to read 'A D Catt', with a long horizontal stroke extending to the right.

**A D Catt**  
Secretary

Approved by the board on: 3 February 1997

**ALBRIGHT (ENGINEERS) LIMITED****REPORT OF THE AUDITORS TO THE DIRECTORS OF****ALBRIGHT (ENGINEERS) LIMITED  
UNDER PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 6 to 14 together with the financial statements of Albright (Engineers) Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 1996.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 6 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 30 September 1996, and the abbreviated accounts on pages 6 to 14 have been properly prepared in accordance with that Schedule.

**Other information**

On 3 February 1997 we reported, as auditors of Albright (Engineers) Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 September 1996, and our audit report was as follows:

Cont'd/-

## ALBRIGHT (ENGINEERS) LIMITED

## REPORT OF THE AUDITORS TO THE DIRECTORS OF

ALBRIGHT (ENGINEERS) LIMITED  
UNDER PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

**Respective responsibilities of directors and auditors**

As described on page 2, 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 financial statements and to report our opinion to you.

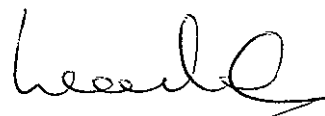
**Basis of opinion**

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 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 30 September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Leach & Co.  
Chartered Accountants  
and Registered Auditors

Ashley House  
18-20 George Street  
Richmond  
Surrey TW9 1PR

3 February 1997

## ALBRIGHT (ENGINEERS) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

	Notes	1996		1995	
		£	£	£	£
GROSS PROFIT			3,262,314		2,761,933
Administrative expenses			2,022,535		1,727,806
OPERATING PROFIT	2		1,239,779		1,034,127
Interest Receivable			669		-
PROFIT on ordinary activities before taxation			1,240,448		1,034,127
TAXATION on ordinary activities	4		409,425		342,767
PROFIT on ordinary activities after taxation			831,023		691,360
DIVIDENDS			750,000		250,000
RETAINED PROFIT for the financial year			81,023		441,360
BALANCE BROUGHT FORWARD			1,989,785		1,548,425
BALANCE CARRIED FORWARD			£2,070,808		£ 1,989,785

All of the company's operations are classed as continuing,

There were no recognised gains nor losses other than those included in the profit and loss account.

The notes on pages 10 to 14 form part of these abbreviated accounts.



## ALBRIGHT (ENGINEERS) LIMITED

BALANCE SHEET  
AS AT 30 SEPTEMBER 1996

	Notes	1996		1995	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		1,263,869		1,038,597
<b>CURRENT ASSETS</b>					
Stock	6	1,559,489		1,392,097	
Debtors	7	636,081		677,658	
Cash at bank and in hand		1,774,735		1,327,845	
		3,970,305		3,397,600	
<b>CREDITORS: amounts falling due within one year</b>	8	3,093,852		2,394,520	
<b>NET CURRENT ASSETS</b>			876,453		1,003,080
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,140,322		2,041,677
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	9		(39,514)		(21,892)
			2,100,808		2,019,785
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		30,000		30,000
Profit and loss account			2,070,808		1,989,785
<b>SHAREHOLDERS' FUNDS</b>	12		2,100,808		2,019,785

The directors have taken advantage of the exemptions conferred by Section B of Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a medium sized company.

The financial statements were approved by the board of directors on 3 February 1997.

 A. D. CATT, Director

 N. E. L. BEGDGGOOD, Director

## ALBRIGHT (ENGINEERS) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 1996

	Note	1996		1995	
		£	£	£	£
Net cash inflow from operating activities	1		2,088,052		2,981,990
Returns on investment and servicing of finance					
Interest received		669		-	
Dividends paid		(750,000)		(1,475,000)	
Net cash outflow on investments and finance			(749,331)		(1,475,000)
Taxation					
Corporation tax paid		(344,275)		(260,900)	
Taxation paid			(344,275)		(260,900)
Investing activities					
Payments to acquire tangible fixed assets		(558,052)		(535,862)	
Receipts from sale of tangible fixed assets		10,496		4,350	
Net cash outflow from investing activities			(547,556)		(531,512)
Increase in cash and cash equivalents	2		£ 446,890		£ 714,578

The notes on pages 10 to 14 form part of these abbreviated accounts.

## ALBRIGHT (ENGINEERS) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 1996  
NOTES TO THE CASH FLOW STATEMENT1 RECONCILIATION OF OPERATING RESULTS TO NET  
CASH FLOW FROM OPERATING ACTIVITIES

	1996		1995	
	£	£	£	£
Operating profit		1,239,779		1,034,127
Depreciation		330,720		332,986
Profit on sale of fixed assets		(8,436)		(251)
Increase in stocks		(167,392)		(605,251)
Decrease in debtors		41,577		1,109,566
Increase in creditors		651,804		1,110,813
Net cash inflow from operating activities		<u>2,088,052</u>		<u>2,981,990</u>

2 ANALYSIS OF CHANGES IN CASH AND CASH  
EQUIVALENTS DURING THE YEAR

Balance at 30 September 1995	1,327,845	613,268
Net cash inflow	<u>446,890</u>	<u>714,577</u>
Balance at 30 September 1996	<u>1,774,735</u>	<u>1,327,845</u>

3 ANALYSIS OF THE BALANCES OF CASH AND CASH  
EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1996	1995	Change in year	Previous year
	£	£	£	£
Cash at bank and in hand	1,774,742	1,327,845	446,897	714,577
Bank overdrafts	(7)	-	(7)	-
	<u>1,774,735</u>	<u>1,327,845</u>	<u>446,890</u>	<u>714,577</u>

4 ANALYSIS OF CHANGES IN FINANCING  
DURING THE YEAR

	1996	1995	Change in year	Previous year
	£	£	£	£
Share capital	30,000	30,000	-	-
	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>-</u>

## ALBRIGHT (ENGINEERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

**1 ACCOUNTING POLICIES**

The principal accounting policies which are adopted in the preparation of the financial statements are set out below.

**Basis of accounting**

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

**Turnover**

Turnover represents the invoiced price of sales to external customers.

**Tangible fixed assets**

Depreciation is provided at rates calculated to write off each asset over its estimated useful life. The principal annual rates in use are:

Plant and machinery	15%	on cost
Motor vehicles	20%	on cost
Fixtures and fittings	20%	on cost
Computer equipment	25%	on cost

**Stock**

Stocks are stated at the lower of cost and net realisable value, as follows:

Raw materials - purchase cost on a first-in first-out basis.

Finished goods & work in progress - cost of direct materials, labour and proportion of overheads.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

**Deferred taxation**

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

**Pension costs**

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

**2 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	1996	1995
	£	£
Staff costs (note 3)	3,501,945	3,268,602
Depreciation	330,720	332,986
Profit on sale of fixed assets	(8,436)	(251)
Auditors' remuneration	20,687	20,100
	<u>          </u>	<u>          </u>

## ALBRIGHT (ENGINEERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

(continued)

## 3 STAFF COSTS

Staff costs during the year, were as follows:

Wages and salaries	3,109,034	2,908,381
Social security costs	263,062	271,290
Other pension costs	129,849	88,931
	<u>3,501,945</u>	<u>3,268,602</u>

The average weekly number of employees during the year  
was as follows:

Office and management	37	36
Manufacturing	206	190
	<u>243</u>	<u>226</u>

## 4 TAXATION

Corporation tax on ordinary activities at 33%	391,803	344,275
Movement in deferred taxation	17,622	(1,508)
	<u>409,425</u>	<u>342,767</u>

## ALBRIGHT (ENGINEERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

(continued)

## 5 TANGIBLE FIXED ASSETS

	Computer equipment	Motor vehicles	Fixtures and fittings	Plant and machinery	Total
<b>Cost or valuation</b>					
At 30 September 1995	240,950	107,596	153,386	1,811,300	2,313,232
Additions	99,459	81,074	37,895	339,624	558,052
Disposals	-	(29,445)	-	-	(29,445)
At 30 September 1996	340,409	159,225	191,281	2,150,924	2,841,839
<b>Depreciation</b>					
At 30 September 1995	98,972	65,029	72,880	1,037,754	1,274,635
Charge for the year	71,652	25,234	26,710	207,124	330,720
Released on disposal	-	(27,385)	-	-	(27,385)
At 30 September 1996	170,624	62,878	99,590	1,244,878	1,577,970
<b>Net book value</b>					
At 30 September 1996	£ 169,785	£ 96,347	£ 91,691	£ 906,046	1,263,869
At 30 September 1995	£ 141,978	£ 42,567	£ 80,506	£ 773,546	1,038,597

## 6 STOCK

	1996	1995
	£	£
Raw materials	950,926	822,837
Work in progress	499,229	513,740
Finished goods	109,334	55,520
	1,559,489	1,392,097

## 7 DEBTORS

Amount due from fellow subsidiary undertaking	6,249	6,478
Trade debtors	443,934	432,630
Other debtors	18,006	22,831
Taxation and social security	137,509	184,537
Prepayments	30,383	31,182
	636,081	677,658

## ALBRIGHT (ENGINEERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

(continued)

## 8 CREDITORS: amounts falling due within one year

	1996	1995
	£	£
Amount due to parent undertaking	1,415,319	797,852
Trade creditors	780,354	811,414
Other creditors	52,418	9,879
Taxation and social security	68,337	69,047
Accruals	385,621	362,053
Corporation tax	391,803	344,275
	<u>3,093,852</u>	<u>2,394,520</u>

## 9 DEFERRED TAXATION

The amount provided for deferred taxation and the movement during the year was as follows:

	1995	Movement	1996
	£	£	£
Accelerated capital allowances	21,892	17,622	39,514
	<u>21,892</u>	<u>17,622</u>	<u>39,514</u>

## 10 CALLED UP SHARE CAPITAL

	1996	1995
	£	£
Authorised		
Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

## 11 PARENT UNDERTAKING

The company is a wholly-owned subsidiary of Lea Redway Limited, a company registered in England.

## ALBRIGHT (ENGINEERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

(continued)

## 12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996	1995
	£	£
Profit for the year	831,023	691,360
Dividends	(750,000)	(250,000)
Retained profit for the year	81,023	441,360
Shareholders' funds at 30 September 1995	2,019,785	1,578,425
Shareholders' funds at 30 September 1996	2,100,808	2,019,785