

CONSTRUCTION ROBOTICS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD

1ST JULY, 1995 TO 30TH JUNE, 1996

Registered number: 2680769



STABLES THOMPSON & BRISCOE

CHARTERED ACCOUNTANTS

Kendal

CONSTRUCTION ROBOTICS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to
Construction Robotics Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 4 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 30th June, 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 2 and whether the abbreviated financial statements 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 financial statements 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 A of Part III of Schedule 8 to that Act, in respect of the year ended 30th June, 1996, and the abbreviated financial statements on pages 2 to 4 have been properly prepared in accordance with that Schedule.

Other information

On ~~23rd~~ September, 1996 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th June, 1996, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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 statements and to report our opinion to you.

continued

CONSTRUCTION ROBOTICS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
Construction Robotics Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

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 error or other irregularity. 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 30th June, 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Stables Thompson & Briscoe

Kendal

Stables Thompson & Briscoe
Registered Auditors
Chartered Accountants

23rd September 1996

CONSTRUCTION ROBOTICS LIMITED

2

ABBREVIATED BALANCE SHEET

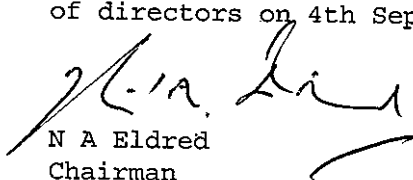
at 30th June, 1996

	Note	£	1996 £	£	1995 £
Fixed assets					
Intangible assets	2		-		35,766
Tangible assets	2		1,409		2,820
			<u>1,409</u>		<u>38,586</u>
Current assets					
Debtors		260,855		3,260	
Cash at bank and in hand		35,503		10,778	
		<u>296,358</u>		<u>14,038</u>	
Creditors: amounts falling due within one year		(310,731)		(54,750)	
Net current liabilities			<u>(14,373)</u>		<u>(40,712)</u>
Total assets less current liabilities			<u>(12,964)</u>		<u>(2,126)</u>
Creditors: amounts falling due after more than one year			-		(29,072)
			<u>(12,964)</u>		<u>(31,198)</u>
Capital and reserves					
Called up share capital	3		100		100
Share premium account			19,970		19,970
Profit and loss account			(33,034)		(51,268)
Total shareholders' funds			<u>(12,964)</u>		<u>(31,198)</u>

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 4th September, 1996.


N A Eldred
Chairman

CONSTRUCTION ROBOTICS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th June, 1996

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 is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

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	25% straight line
Motor vehicles	25% straight line
Development costs	Nil
Intellectual property rights	25% straight line

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.

Research and development

Research and development is written off to Profit and Loss Account as incurred except where there is reasonable certainty that future sales directly relating to the expenditure will result.

CONSTRUCTION ROBOTICS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th June, 1996

2 Fixed assets

Cost or valuation	Intangible fixed assets £	Tangible fixed assets £	Total £
1st July, 1995	52,849	7,166	60,015
Disposals	(32,849)	-	(32,849)
30th June, 1996	20,000	7,166	27,166
Depreciation			
1st July, 1995	17,083	4,346	21,429
Charge for year	2,917	1,411	4,328
30th June, 1996	20,000	5,757	25,757
Net book amount			
30th June, 1996	-	1,409	1,409
1st July, 1995	35,766	2,820	38,586

3 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1	1,000	1,000	1,000	1,000
Allotted called up and fully paid				
Ordinary shares of £1	100	100	100	100

4 Ultimate parent undertaking

During the year Intelligent Systems Solutions Limited, a company incorporated in England, acquired 75% of the issued ordinary shares in the company. This company has made loan advances amounting to £260,687 at the Balance Sheet date. These advances are secured against the company's assets, are interest free and are repayable on demand.