

FIorentini U.K. Limited

COMPANY NO. 2521694

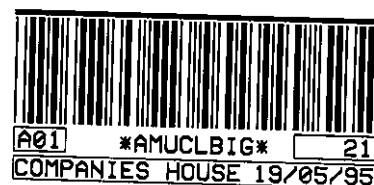
ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH SEPTEMBER 1994



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REPORT OF THE AUDITORS TO THE DIRECTORS OF

FIorentini U.K. Limited

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 OF THE COMPANIES ACT, 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of Fiorentini U.K. Limited for the year ended 30th September 1994.

Respective responsibilities of directors and auditors

The abbreviated accounts are the responsibility of the directors. Our responsibility is to report to you as to whether the company is entitled to the exemptions claimed by the directors and whether the abbreviated accounts have been properly prepared from the full financial statements.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. The audit of abbreviated accounts consists of an assessment of whether the company satisfies the criteria necessary to take advantage of the exemptions available under the Companies Act. It also includes an assessment of whether they have been properly prepared in accordance with the relevant provisions of that Act.

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 September 1994 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

On 10th April, 1995 we reported, as auditors of Fiorentini U.K. Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act, 1985 for the year ended 30th September 1994, and our audit report was as follows:-

"We have audited the financial statements on pages 4 to 11 which have been prepared following the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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.

REPORT OF THE AUDITORS TO THE DIRECTORS OF

FIORENTINI U.K. LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 OF THE COMPANIES ACT, 1985

(CONT)

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.

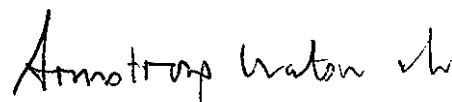
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the 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 September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

CARLISLE

10th April, 1995



ARMSTRONG WATSON & CO.,
Chartered Accountants
and Registered Auditor.

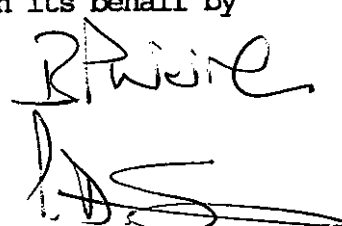
FIorentini U.K. LimitedABBREVIATED BALANCE SHEET AT 30TH SEPTEMBER 1994

		<u>1994</u>	<u>1993</u>
	<u>Notes</u>	£	£
FIXED ASSETS			
Tangible Assets	2	111,678	17,296
CURRENT ASSETS			
Stocks		15,006	7,587
Debtors		85,347	43,342
Cash in hand		80,915	69,472
		181,268	120,401
CREDITORS (Amounts falling due within one year)		(163,110)	(92,992)
NET CURRENT ASSETS		18,158	27,409
TOTAL ASSETS LESS CURRENT LIABILITIES		129,836	44,705
CREDITORS (Amounts falling due after one year)	3	(59,580)	(12,505)
PROVISIONS FOR LIABILITIES AND CHARGES		(454)	(-)
		<u>£69,802</u>	<u>£32,200</u>
<u>CAPITAL AND RESERVES</u>			
Share Capital	4	42,000	42,000
Profit and Loss Account		27,802	(9,800)
		<u>£69,802</u>	<u>£32,200</u>

Advantage is taken of the exemptions conferred by Section A Part III of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions having met the qualifications for a small company specified in sections 246 and 247 of the Companies Act 1985.

Approved by the board on 10th April, 1995 and signed on its behalf by

B.P. WARREN }
 } Directors
 P.D. SMITH }



The notes on pages 4 and 5 form part of these accounts.

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards.

Accounting Convention

The accounts are prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The rates used are as follows:-

Freehold Property	Nil
Plant and Equipment	15% reducing balance
Fixtures and Fittings	15% reducing balance
Computer Equipment	15% reducing balance
Motor Vehicles	25% reducing balance

No provision is made for depreciation on freehold property as in the opinion of the directors realisable value is at least equal to cost.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is provided for future liabilities resulting from the difference between the treatment of items in the accounts and their treatment for taxation purposes, except to the extent that these liabilities are not regarded as likely to become payable in the foreseeable future.

The amounts provided have been calculated at the proposed corporation tax rates for the periods when the liabilities are estimated to crystallise.

Leasing and Hire Purchase Commitments

Assets held under hire purchase and finance lease agreements and the related lease obligations are included at the cost of the assets at the start of the agreement. Depreciation on these assets is calculated in accordance with the policy stated above.

The interest element is charged to the profit and loss account over the period of the agreement and represents a constant proportion of the balance of capital repayments outstanding.

Foreign Currency Transactions

Transactions made in foreign currencies are recorded at rates ruling at the date of settlement of the transaction. Balance sheet items in stock at the year end are recorded at the rate ruling at the year end.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1994

2. TANGIBLE FIXED ASSETS

	<u>Total</u> £
<u>Cost</u>	
At 01/10/93	33,638
Additions	104,396
Disposals	(11,553)
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At 30/09/94	126,481
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<u>Depreciation</u>	
At 01/10/93	16,342
Charge for year	5,343
On Disposals	(6,882)
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At 30/09/94	14,803
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<u>Net Book Value</u>	
At 30/09/94	£111,678
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At 30/09/93	£17,296
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3. SECURED CREDITORS

	<u>1994</u> £	<u>1993</u> £
Bank Loan due within 1 year	4,851	-
Bank Loan due 2-5 years	19,405	-
Bank Loan due over 5 years	20,614	-
	<hr/>	<hr/>
	£44,870	£-
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The bank loan is payable by instalments and is secured by a legal mortgage over the freehold premises of the company and by a mortgage debenture covering all the assets of the company.

4. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, Issued and Fully Paid</u>	
	<u>1994</u> £	<u>1993</u> £	<u>1994</u> £	<u>1993</u> £
Ordinary Shares of £1 each	£100,000	£100,000	£42,000	£42,000
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