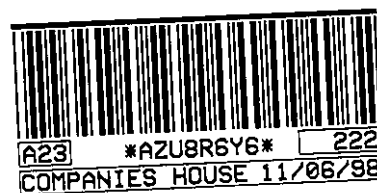


FRANTRONICS LIMITED
ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1997

PORTLOCK PALMER

Toronto House
49a South End
Croydon
CR9 1LT



FRANTRONICS LIMITED
ABBREVIATED ACCOUNTS
BALANCE SHEET
AS AT 30 SEPTEMBER 1997

	Note	1997 £	£	1996 £	£
Fixed assets	2				
Tangible assets			51,571		53,839
Current assets					
Stocks		16,695		20,893	
Debtors		54,849		54,703	
Cash at bank and in hand		3,116		382	
		<hr/>		<hr/>	
		74,660		75,978	
Creditors: amounts falling due within one year		71,060		68,671	
		<hr/>		<hr/>	
Net current assets			3,600		7,307
			<hr/>		<hr/>
Total assets less current liabilities			55,171		61,146
Creditors: amounts falling due after more than one year			-		4,767
Provisions for liabilities and charges			1,439		1,061
			<hr/>		<hr/>
Net assets			53,732		55,318
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	3		2		2
Profit and loss account			53,730		55,316
			<hr/>		<hr/>
			53,732		55,318
			<hr/>		<hr/>

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for:

i) ensuring that the company keeps accounting records which comply with section 221; and

ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to, so far as applicable to the company.

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

The financial statements on pages 1 - 4 were approved by the board of directors on the date shown below and were signed on its behalf by: **F.P. CLEMMY**

Director



Date :

8th JUNE 1998

FRANTRONICS LIMITED

NOTES (forming part of the financial statements)

1. Accounting policies

Basis of preparation

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

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

<i>Plant and machinery</i>	- 15 % per annum reducing balance
<i>Motor vehicles</i>	- 25 % per annum reducing balance
<i>Office equipment</i>	- 15 % per annum reducing balance

Leases

Tangible fixed assets acquired under hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rental charges on leases accounted for as 'operating leases' as defined by SSAP 21, are charged to the profit and loss account in the period incurred.

Cashflow Statements

The company is a small company as defined by S247 of the Companies Act 1985, and therefore in accordance with the provisions of Financial Reporting Standards No.1 is exempt from presenting a cashflow statement.

Pension costs

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Stocks

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

Raw materials and goods for resale - purchase cost on a first-in, first-out basis.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

FRANTRONICS LIMITED

NOTES (Continued)

2. Abbreviated fixed assets

	Tangible fixed assets £
Cost :	
At beginning of year	87,102
Additions	9,041
Disposals	(446)
	<hr/>
	95,697
	<hr/>
At end of year	95,697
	<hr/>
Depreciation :	
At beginning of year	33,263
Charge during the year	10,986
On disposal	(123)
	<hr/>
At end of year	44,126
	<hr/>
Net book value :	
At 30th September, 1997	<hr/> 51,571
At 30th September, 1996	<hr/> 53,839

FRANTRONICS LIMITED

NOTES (Continued)

3. Called up share capital

	1997 £	1996 £
<i>Authorised</i>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2
	<hr/>	<hr/>