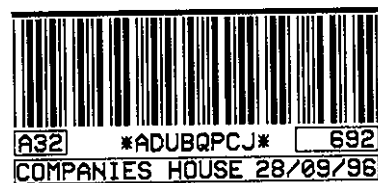


REGISTERED NUMBER: 513785  
ENGLAND AND WALES

JAMES BARR AND SON (ENGINEERING) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1995



**AUDITORS' REPORT TO THE SHAREHOLDERS OF**  
**JAMES BARR AND SON (ENGINEERING) LIMITED**  
**UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE**  
**COMPANIES ACT 1985**

We have examined the abbreviated Financial statements set out on pages 3 to 6, together with the full statutory Financial Statements of the company for the year ended 31st December 1995, prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing 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 3 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 full statutory financial statements that the company is entitled to those exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purposes of this report does not include examining or dealing with events after the date of our report on the full statutory 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 31st December 1995, and the abbreviated financial Statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

**OTHER INFORMATION**

On 27th September 1996 we reported as auditors of James Barr and Son (Engineering) Limited, to the shareholders on the full statutory financial statements for the year ended 31 December 1995, and our audit report was as follows:

"We have audited the Financial Statements on Pages 4 to 8, which have been prepared in accordance with the Accounting Policies set out on Page 6.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

As described in Page 1, the Company's Directors are responsible for the preparation of the 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 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.

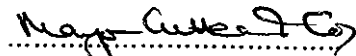
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Continued .....

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
JAMES BARR AND SON (ENGINEERING) LIMITED  
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE  
COMPANIES ACT 1985  
(CONTINUED)

OPINION

In our opinion, the Financial Statements give a true and fair view of the state of the Company's affairs as at 31st December 1995, 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."



Mayor, Cuttle & Co.  
Chartered Accountants and Registered Auditors  
165 New London Road  
Chelmsford  
Essex CM2 0AD

Dated: 27/9/96 .....

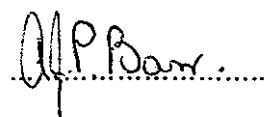
**JAMES BARR AND SON (ENGINEERING) LIMITED****ABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1995**

	<b><u>Notes</u></b>	<b><u>1995</u></b> <b><u>£</u></b>	<b><u>1994</u></b> <b><u>£</u></b>
<b>FIXED ASSETS</b>			
Tangible Assets	3	978,924	982,880
<b>CURRENT ASSETS</b>			
Stocks		282,248	278,892
Debtors		50,871	23,288
Cash at Bank and in Hand		553,824	494,794
		<u>886,943</u>	<u>796,974</u>
<b>CREDITORS: amounts falling due within one year</b>	5	318,947	277,485
<b>NET CURRENT ASSETS</b>		<u>567,996</u>	<u>519,489</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,546,920</u>	<u>1,502,369</u>
<b>CAPITAL AND RESERVES</b>			
Called Up Share Capital	4	1,667	1,667
Capital Redemption Reserve		333	333
Profit and Loss Account		1,544,920	1,500,369
<b>SHAREHOLDERS' FUNDS</b>		<u>1,546,920</u>	<u>1,502,369</u>

The Directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, 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 provided by Part I of Schedule 8 and have done so on the grounds that, in their opinion, the Company qualifies as a small company.

Signed on behalf of  
the Board of Directors

.....

Director - Approved by the Board

Dated: 20/9/96

**JAMES BARR AND SON (ENGINEERING) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 1995****1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING**

The Financial Statements have been prepared under the historical cost convention.

**TURNOVER**

Turnover represents net invoiced sales of goods, excluding VAT.

**TANGIBLE FIXED ASSETS**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and Machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance

No depreciation is provided on Freehold Property as it is the policy of the Company to adequately maintain its properties in good condition so as to prolong their useful life. Any depreciation charge based on the extended useful life of the properties would not be material.

**STOCKS**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**DEFERRED TAXATION**

No provision is made for deferred taxation as, in the opinion of the Directors, there is reasonable probability that any liability will not arise in the foreseeable future.

**PENSION COSTS**

Contributions in respect of the Company's defined contribution pension scheme are charged to the Profit and Loss Account for the year in which they are payable to the Scheme.

**2. TURNOVER**

In the opinion of the Directors none of the turnover was attributable to geographical markets outside the UK.

**JAMES BARR AND SON (ENGINEERING) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 1995****3. TANGIBLE FIXED ASSETS**

	<u>Freehold Property</u>	<u>Motor Vehicles</u>	<u>Plant and Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>				
At beginning of year	950,105	9,849	50,321	1,010,275
Additions	-	-	5,650	5,650
At end of year	<u>950,105</u>	<u>9,849</u>	<u>55,971</u>	<u>101,925</u>
<u>Depreciation</u>				
At beginning of year	-	5,037	22,358	27,395
Charge for the year	-	1,203	8,403	9,606
At end of year	<u>-</u>	<u>6,240</u>	<u>30,761</u>	<u>37,001</u>
<u>Net Book Values</u>				
At end of year	<u>950,105</u>	<u>3,609</u>	<u>25,210</u>	<u>64,924</u>
At beginning of year	<u>950,105</u>	<u>4,812</u>	<u>27,963</u>	<u>982,880</u>

No depreciation is provided on Freehold Property as it is the policy of the Company to adequately maintain its properties in good condition so as to prolong their useful life. Any depreciation charge based on the extended useful life of the properties would not be material.

**4. CALLED UP SHARE CAPITAL**

	<u>1995</u>		<u>1994</u>	
	<u>No.</u>	<u>£</u>	<u>No.</u>	<u>£</u>
Authorised				
Ordinary Shares of £1 each	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Allotted, Called Up and Fully Paid				
Ordinary Shares of £1 each	<u>1,667</u>	<u>1,667</u>	<u>1,667</u>	<u>1,667</u>

**JAMES BARR AND SON (ENGINEERING) LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 1995****5. CREDITORS**

Creditors include the following:

	<b><u>1995</u></b>	<b><u>1994</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Bank Overdraft (Unsecured)	<b><u>-</u></b>	<b><u>1,412</u></b>