

Reg of Cos.

No. 2419183

REPORT OF THE AUDITORS TO BARLOW METAL FABRICATIONS LIMITED
Pursuant to Paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Barlow Metal Fabrications Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1994.

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 3, 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.

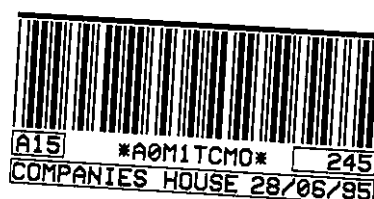
OPINION

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 31st December, 1994, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 12th May, 1995, we reported, as auditors of Barlow Metal Fabrications Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st December, 1994, and our audit report was as follows:

"We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.



REPORT OF THE AUDITORS TO BARLOW METAL FABRICATIONS LIMITED

Pursuant to Paragraph 24 of Schedule 8

to the Companies Act 1985

OTHER INFORMATION (Cont'd.)

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.

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 judgments 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 31st December, 1994, 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."

Cobden, Board & Co.

COBDEN, BOARD & CO.

Sheffield & London,
12th May, 1995.

Chartered Accountants,
Registered Auditors.

BARLOW METAL FABRICATIONS LIMITEDBALANCE SHEETat 31st DECEMBER 1994

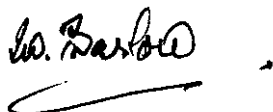
| | <u>Notes</u> | <u>1994</u> £ | <u>1993</u> £ |
|---|--------------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 2 | <u>63,582</u> | <u>58,366</u> |
| CURRENT ASSETS | | | |
| Stock | | 238,406 | 313,950 |
| Debtors | | 397,972 | 750,921 |
| Cash at bank and in hand | | <u>448,349</u> | <u>95,375</u> |
| | | 1,084,727 | 1,160,246 |
| CREDITORS: amounts falling due within one year | | <u>(649,864)</u> | <u>(804,949)</u> |
| NET CURRENT ASSETS | | <u>434,863</u> | <u>355,297</u> |
| TOTAL NET ASSETS | | <u>£498,445</u> | <u>£413,663</u> |
| CAPITAL & RESERVES | | | |
| Called-up share capital | 3 | 100,000 | 100,000 |
| Profit & loss account | | <u>398,445</u> | <u>313,663</u> |
| SHAREHOLDERS' FUNDS | | <u>£498,445</u> | <u>£413,663</u> |

The directors have taken advantage of the exemptions conferred by Section A 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.

In preparing the company's annual financial statements the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to the exemptions as a small company.

Approved by the Board of Directors on 12th May, 1995,
and signed on its behalf.

W. BARLOW - DIRECTOR



The notes on pages 4 to 6 form part of these abbreviated accounts.

NOTES TO THE ABBREVIATED ACCOUNTS
at 31st DECEMBER 1994

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. The accounting policies are consistent with the previous year.

Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

Turnover

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

| | |
|------------------------|----------------------------------|
| Leasehold improvements | - 15% straight line basis |
| Plant & fixtures | - 15% straight line basis |
| Computers | - 33.1/3% straight line basis |
| Motor vehicles | - 33.1/3% reducing balance basis |

A full year's depreciation is charged on all assets in use at the end of the accounting period irrespective of the date of purchase.

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. In the case of raw materials, cost is invoice cost. Work in progress consists of the direct cost of raw materials and labour plus attributable production overheads.

Deferred taxation

Deferred taxation is provided on the liability method on all material short-term timing differences. Provision is also made for long-term timing differences, except for those which are not expected to reverse in the near future.

NOTES TO THE ABBREVIATED ACCOUNTS

at 31st DECEMBER 1994

1. ACCOUNTING POLICIES (Cont'd.)Pensions

The company is a member of a defined scheme for its salaried employees. The assets of the scheme are invested and managed independently of the finances of the company. Contributions are made by the company based on 4.5% of pensionable payroll and are written off to Profit & Loss Account as they arise.

2. TANGIBLE FIXED ASSETS

| | <u>Leasehold Improvements</u> £ | <u>Plant</u> £ | <u>Fixtures & Fittings</u> £ | <u>Motor Cars</u> £ | <u>Total</u> £ |
|---------------------|--|-------------------|---|----------------------------|-------------------|
| Cost: | | | | | |
| At 1/1/94 | 6,166 | 222,699 | 40,882 | 23,005 | 292,752 |
| Additions | - | 14,049 | 7,499 | 20,445 | 41,993 |
| Disposals - Group | - | - | (11,858) | - | (11,858) |
| - Other | - | - | (3,899) | (18,670) | (22,569) |
| At 31/12/94 | <u>£6,166</u> | <u>£236,748</u> | <u>£32,624</u> | <u>£24,780</u> | <u>£300,318</u> |
| Depreciation: | | | | | |
| At 1/1/94 | 3,696 | 187,374 | 28,513 | 14,803 | 234,386 |
| Charge for the year | 925 | 13,433 | 4,184 | 7,736 | 26,278 |
| Disposals - Group | - | - | (7,906) | - | (7,906) |
| - Other | - | - | (2,664) | (13,358) | (16,022) |
| At 31/12/94 | <u>£4,621</u> | <u>£200,807</u> | <u>£22,127</u> | <u>£9,181</u> | <u>£236,736</u> |
| Net book value: | | | | | |
| At 31/12/94 | <u>£1,545</u> | <u>£35,941</u> | <u>£10,497</u> | <u>£15,599</u> | <u>£63,582</u> |
| At 31/12/93 | <u>£2,470</u> | <u>£35,325</u> | <u>£12,369</u> | <u>£8,202</u> | <u>£58,366</u> |

Leasehold improvements relate to buildings rented from the holding company.

BARLOW METAL FABRICATIONS LIMITED

PAGE 6

NOTES TO THE ABBREVIATED ACCOUNTS

at 31st DECEMBER 1994

| 3. <u>SHARE CAPITAL</u> | <u>1994</u> | <u>1993</u> |
|--|-----------------|-----------------|
| Authorised & issued: 100,000 Ordinary shares of £1 each | <u>£100,000</u> | <u>£100,000</u> |

4. HOLDING COMPANY

The ultimate holding company is George Barlow & Sons Limited which is registered in England and Wales and owns all the issued share capital of Barlow Metal Fabrications Limited.