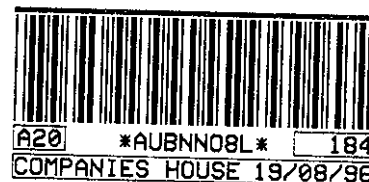


MELMALT LIMITED
(formerly Century Heat Treatment & Plating Co. Limited)
REGISTERED NUMBER 2355197

ABBREVIATED FINANCIAL STATEMENTS

31 DECEMBER 1995



**AUDITORS' REPORT TO THE DIRECTORS OF MELMALT 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 Melmalt Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995.

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 prepare abbreviated accounts and whether they 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 claimed in the directors statement on page 3 and that the abbreviated accounts have been properly prepared from those financial statements.

Opinion

In our opinion the company is entitled to the exemption from preparing group accounts conferred by section 248 of the Companies Act 1985.

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 31 December 1995 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 12 August 1996 we reported, as auditors of Melmalt Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1995 and our audit report was as follows:

We have audited the financial statements on pages 5 to 13 which have been prepared following 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 the 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.

AUDITORS' REPORT TO THE DIRECTORS OF MELMALT LIMITED (Continued)
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Basis of opinion (Continued)

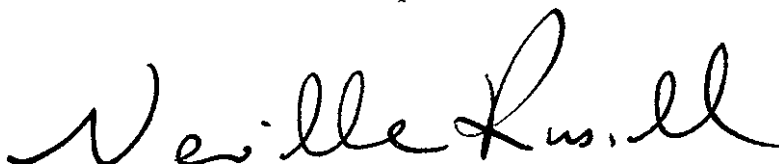
It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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 assurances 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.

Opinion

In our opinion the company is entitled for the year ended 31 December 1995 to the exemption conferred by Section 248 of the Companies Act 1985 from preparing group accounts.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors
Nexia House
The Broadway
Dudley
West Midlands
DY1 4PY



12 August 1996


MELMALT LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	2	254,694	207,468
Investments	3	-	-
		<hr/>	<hr/>
		254,694	207,468
		<hr/>	<hr/>
Debtors	4	197,310	179,033
Cash at bank and in hand		1,918	31,367
		<hr/>	<hr/>
		199,228	210,400
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		(136,440)	(157,750)
		<hr/>	<hr/>
NET CURRENT ASSETS		62,788	52,650
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		317,482	260,118
PROVISION FOR LIABILITIES AND CHARGES		(-)	(-)
ACCRUALS AND DEFERRED INCOME		(10,990)	(12,358)
		<hr/>	<hr/>
NET ASSETS		306,492	247,760
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	5	15,000	15,000
Profit and loss account		291,492	232,760
		<hr/>	<hr/>
		306,492	247,760
		<hr/>	<hr/>

Advantage is taken of the exemptions conferred by Section A of 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 12 August 1996
and signed on its behalf by


A W Lilly

Director

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995**

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents management charges in respect of services provided to the subsidiary company, Century Heat Treatment and Plating Co. Limited.

Depreciation

Depreciation is calculated to write off the cost of fixed assets on a straight line basis and reducing balance basis over their estimated useful lives.

Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability will crystallise in the foreseeable future, at the rates of tax expected to apply when the timing differences reverse.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Government grants

Government grants received are treated as deferred credits and credited to the profit and loss account over the estimated useful life of the relevant fixed assets.

Pension costs

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995**

2 TANGIBLE FIXED ASSETS

	Tangible fixed assets £	
COST		
At 1 January 1995	368,687	
Additions	83,167	
Disposals	(11,950)	
	<hr/>	
At 31 December 1995	368,687	
	<hr/>	
ACCUMULATED DEPRECIATION		
At 1 January 1995	90,002	
Charge for the year	32,280	
Eliminated on disposals	(8,289)	
	<hr/>	
At 31 December 1995	113,993	
	<hr/>	
NET BOOK VALUES		
At 31 December 1994	207,468	
	<hr/>	
At 31 December 1995	254,694	
	<hr/>	

3 FIXED ASSETS - INVESTMENTS

COST

Investment in subsidiary	132,938	132,938
Provision for diminution in value	(132,938)	(132,938)
	<hr/>	<hr/>
At 31 December 1995	-	-
	<hr/>	<hr/>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995

	1995 £	1994 £
4 DEBTORS		
The aggregate amount of debtors falling due after more than one year is	-	-
	<u> </u>	<u> </u>
5 SHARE CAPITAL		
Authorised:		
Ordinary shares of £1 each	15,000	15,000
	<u> </u>	<u> </u>
Allotted, issued and fully paid:		
Ordinary shares of £1 each	15,000	15,000
	<u> </u>	<u> </u>