

Company Number: 1365634

GOWY FABRICATIONS LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 JUNE 1996

P M Cook & Co
Chartered Accountants
273 Linthorpe Road
Middlesbrough
Cleveland
TS1 3QS



Gowy Fabrications Limited

Financial Statements

For The Period Ended 30 June 1996

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Company Information

For the Period Ended 30 June 1996

Company Number	1365634
Directors	B K Goodchild A J Prudhoe
Company Secretary	Coates Consultants Limited
Registered office	4-6 Gilesgate Hexham Northumberland NE46 3NJ
Principle Bankers	Barclays Bank Hexham Northumberland
Auditors	P M Cook & Co 273 Linthorpe Road Middlesbrough Cleveland TS1 3QS

Report of the Directors

For The Period Ended 30 June 1996

The directors present their report with the financial statements for the period ended 30 June 1996.

Principal Activity

The principal activity of the company in the period under review was that of Fabrication Specialists.

Directors

The Directors during the period under review were:

R J Haynes	(Resigned 4.4.96)
C Murphy	(Resigned 4.4.96)
G G Forshaw	(Resigned 4.4.96)
B K Goodchild	(Appointed 4.4.96)
A J Prudhoe	(Appointed 4.4.96)

The beneficial interests of the Directors on 30 June 1996 in the issued share capital of the company were as follows:

	30.6.96	31.5.95
Ordinary £1 shares		
R J Haynes	-	1,000
C Murphy	-	1,000
G G Forshaw	-	1,000
B K Goodchild	-	-
A J Prudhoe	-	-

Auditors

The auditors, P M Cook & Co, were appointed during the year and will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of schedule 8 to the Companies Act 1985 on the grounds that in the opinion of the Directors the company is entitled to these exemptions as a small company.

ON BEHALF OF THE BOARD


.....
Director


.....
Date

Gowy Fabrications Limited
Statement of Director's Responsibilities

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Company law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the company and the profit and loss of the company for that period. In preparing those financial statements, the Directors are required to :-

Select suitable policies and then apply them consistently ;

Make judgments and estimates that are reasonable and prudent ;

State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in financial statements ;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD

Signed 
Director

Date 21/8/96

Report of the Auditors

To the Shareholders of Gowy Fabrications Limited

We have audited the financial statements on pages 5 to 12 , which have been prepared under the historical cost convention , as modified by the revaluation of certain fixed assets, and the accounting policies set out on page 7 & 8.

Respective Responsibilities of Directors and Auditors

As described on page 3 , 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 statements and to report our opinion to you.

Basis of Opinion

We conducted our examination 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 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 supply 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 30 June 1996 and of its profit for the period then ended and have been prepared in accordance with the Companies Act 1985 applicable to small companies.

Signed 

P M Cook & Co

Chartered Accountants

Date 28/4/97

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 JUNE 1996

		1996	1995
		£	£
	NOTES		
TURNOVER	2	3,712,088	2,554,440
Cost of Sales		3,011,441	2,113,089
GROSS PROFIT		700,647	441,351
Distribution Costs		3,708	4,535
Administrative Expenses		507,706	356,756
		511,414	361,291
OPERATING PROFIT	3	189,233	80,060
Interest payable and similar charges		33,608	33,359
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		155,625	46,701
Tax on profit on ordinary activities		-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		155,625	46,701
(Deficit) brought forward		(71,832)	(118,533)
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD		83,793	(71,832)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

The notes on pages 7 to 12 form part of these financial statements.

GOWY FABRICATIONS LIMITED

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BALANCE SHEET

AS AT 30 JUNE 1996

		1996	1995
		£	£
	NOTES		
FIXED ASSETS			
Tangible Assets	4	276,924	268,774
CURRENT ASSETS			
Stocks	5	295,310	401,995
Debtors	6	596,079	294,260
Cash at Bank and in Hand		33,401	294
		924,790	696,549
CREDITORS: Amounts falling due within one year	7	935,206	766,070
NET CURRENT LIABILITIES:		(10,416)	(69,521)
TOTAL ASSETS LESS CURRENT LIABILITIES:		266,508	199,253
CREDITORS: Amounts falling due after more than one year	8	49,875	138,245
		216,633	61,008
CAPITAL AND RESERVES			
Called up share capital	11	3,000	3,000
Revaluation reserve	12	129,840	129,840
Profit and loss account		83,793	(71,832)
Shareholders' funds		216,633	61,008

ON BEHALF OF THE BOARD:

DIRECTOR

APPROVED BY THE BOARD ON

21/8/96

Notes to the Financial Statements

For the Period Ended 30 June 1996

1. Accounting Policies

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain assets.

FINANCIAL REPORTING STANDARD NUMBER 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

TANGIBLE FIXED ASSETS

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

Leasehold property	in accordance with the property
Plant and machinery	20% on reducing balance
Fixtures and equipment	20% on reducing balance
Motor vehicles	20% on reducing balance

STOCKS

Stock and work in progress are valued at the lower cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements (continued)**For the Period Ended 30 June 1996****DEFERRED TAXATION**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. Turnover

The turnover and profit before taxation are attributable to the one principle activity of the company.

3. Operating Profit

The operating profit is stated after charging:

	1996 £	1995 £
Other Operating Leases	4,872	1,950
Depreciation - owned assets	37,943	34,430
Loss on disposal of fixed assets	2,378	1,953
Auditors' remuneration	9,065	6,750
	<hr/> <hr/>	<hr/> <hr/>
Directors' emoluments	120,504	86,400
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 1996

4. TANGIBLE FIXED ASSETS

	LEASEHOLD PROPERTY £	PLANT AND MACHINERY £	FIXTURES AND FITTINGS £	MOTOR VEHICLES £	TOTALS £
COST OR VALUATION					
At 1 June 1995	150,000	273,767	51,215	146,496	621,478
Additions	-	-	1,950	52,720	54,670
Disposals	-	-	-	(19,940)	(19,940)
At 30 June 1996	150,000	273,767	53,165	179,276	656,208
DEPRECIATION					
At 1 June 1995	12,677	229,907	41,038	69,082	352,704
Additions	4,997	9,503	2,627	20,815	37,942
Disposals	-	-	-	(11,362)	(11,362)
At 30 June 1996	17,674	239,410	43,665	78,535	379,284
NET BOOK VALUE:					
At 30 June 1996	132,326	34,357	9,500	100,741	276,924
At 31 May 1995	137,323	43,860	10,177	77,414	268,774

5. STOCKS

	1996 £	1995 £
Stock	133,125	71,439
Work in progress	162,185	330,556
	295,310	401,995

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 1996

6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996 £	1995 £
Trade Debtors	450,582	282,793
Prepayments and accrued income	11,821	11,467
Due from Associated Companies	133,676	-
	-----	-----
	596,079	294,260
	=====	=====

7. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996 £	1995 £
Bank loan and overdrafts (see note 9)	-	356,316
Pension Fund Loan (see note 9)	43,660	31,521
Hire Purchase and finance leases (see note 10)	19,579	13,138
Trade Creditors	247,631	227,754
V.A.T	57,435	53,359
Social Security and other taxes	49,742	47,319
Accrued expenses	70,566	36,663
Due to Associated Companies	446,593	-
	-----	-----
	935,206	766,070
	=====	=====

8. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Pension Fund Loan (see note 9)	30,000	130,000
Hire Purchase and finance leases (see note 10)	19,875	8,245
	-----	-----
	49,875	138,245
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 1996

9. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	1996 £	1995 £
Amounts falling due within one year or on demand:		
Bank Overdrafts	-	356,316
Pension Fund Loan	43,660	31,521
	-----	-----
	43,660	387,837
	=====	=====
Amounts falling due between two and five years		
Pension Fund Loan	30,000	130,000
	=====	=====

10. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	1996 £	Hire Purchase Contracts	1995 £
Gross obligations repayable:			
Within one year	22,632		15,080
Between one and five years	21,420		9,853
	-----		-----
	44,052		24,933
	-----		-----
Finance charges repayable:			
Within one year	3,053		1,942
Between one and five years	1,545		1,608
	-----		-----
	4,598		3,550
	-----		-----
Net obligations repayable			
Within one year	19,579		13,138
Between one and five years	19,875		8,245
	-----		-----
	39,454		21,383
	=====		=====

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 1996

11. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal Value:	1996 £	1995 £
10,000	Ordinary	£ 1	10,000 =====	10,000 =====
Allotted, issued and fully paid:				
Number:	Class:	Nominal Value:	1996 £	1995 £
3,000	Ordinary	£ 1	3,000 =====	3,000 =====

12. REVALUATION RESERVE

	1996 £	1995 £
Brought forward	129,840 =====	129,840 =====