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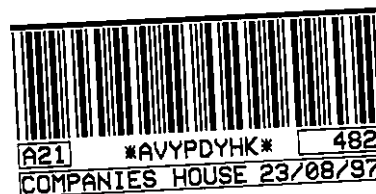
Company Registration No. 794821

**Numerically Controlled Machine Tools
Limited**

Report and Financial Statements

28 February 1997

Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR





REPORT AND FINANCIAL STATEMENTS 1997

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REPORT AND FINANCIAL STATEMENTS 1997

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Burke (Chairman)
P V Cornford
L J Gray
P G Keates
N D Pickles FCA

SECRETARY

N D Pickles FCA

REGISTERED OFFICE

Ferry Works
Summer Road
Thames Ditton
Surrey KT7 0QQ

BANKERS

Bank of Scotland
Beaumont House
3 Queens Road
Reading
Berkshire RG1 4AR

SOLICITORS

Lovegrove & Elliot
4 Park Street
Windsor
Berkshire

Mundays Solicitors
Crown House
Church Road
Claygate
Esher
Surrey
KT10 0LP

AUDITORS

Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 28 February 1997.

ACTIVITIES

Numerically Controlled Machine Tools Limited (NCMT) is the parent company of companies engaged principally in the provision of engineering solutions and supply of related capital goods for the UK manufacturing sector. This incorporates automation and other related equipment, supported by a technical and service support function.

FUTURE DEVELOPMENTS

The directors continue to consider opportunities to enable the company to develop its engineering capability and technical know how for the benefit of a wide and varied customer base. A significant investment is currently being concluded that will enable the company to offer an increased and dynamic engineering capability to our customers. This will also ensure the company will be well placed to meet the challenges of the Millennium for the mutual benefit of the company, its suppliers and customers.

RESULTS AND DIVIDENDS

Turnover from activities increased by £5,633,000 (33%) from £17,033,000 to £22,666,000. Operating profit from operations increased by £485,000 (44%) from £1,091,000 to £1,576,000. This improvement represents not only an increase in activity but also the extent of fully engineered turnkey business.

The final dividend recommended by the directors is £2 per ordinary share (1996: £2 per ordinary share). After dividends, retained profits of £806,000 (1996: £810,000) have been transferred to reserves.

FIXED ASSETS

The company spent £350,000 on replacement vehicles and equipment and disposed of one property valued at £133,000.

EMPLOYEE INVOLVEMENT

A news bulletin is distributed to all employees and includes articles relating to company activities.

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1. All directors served throughout the year.

The directors' interests in the ordinary shares of the Company at 28 February 1997 and 1 March 1996 were:

	Ordinary shares of £1 each	
	1997	1996
R Burke	-	-
P V Cornford	6,000	6,000
L J Gray	12,000	12,000
P G Keates	6,000	6,000
N D Pickles	6,000	6,000

L J Gray has waived all entitlements to dividends.

DONATIONS

The company has agreed a charitable donation of £50,000.

DIRECTORS' REPORT

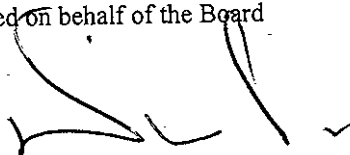
DIRECTORS' AND OFFICERS' LIABILITY

Directors' and officers' liability insurance has been purchased by the company during the year.

AUDITORS

A resolution to reappoint Deloitte & Touche will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



N D Pickles

Secretary

25 July 1997



STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Chartered Accountants

Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR

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AUDITORS' REPORT TO THE MEMBERS OF NUMERICALLY CONTROLLED MACHINE TOOLS LIMITED

We have audited the financial statements on pages 6 to 20 which have been prepared under the accounting policies set out on pages 13 and 14.

Respective responsibilities of directors and auditors

As described on page 4 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company and the group, 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 affairs of the company and the group as at 28 February 1997 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and Registered Auditors

4 August 1997


CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year ended 28 February 1997

	Note	1997 £'000	1996 £'000
TURNOVER	2	22,666	17,033
Cost of sales		(15,458)	(11,207)
Gross profit		<u>7,208</u>	<u>5,826</u>
Administrative costs		(4,794)	(4,238)
Distribution costs		(630)	(497)
OPERATING PROFIT		<u>1,784</u>	<u>1,091</u>
Interest receivable and similar income	5	225	252
Interest payable and similar charges	6	(65)	(11)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>1,944</u>	<u>1,332</u>
Tax on profit on ordinary activities	7	(763)	(397)
PROFIT FOR THE FINANCIAL YEAR ON ORDINARY ACTIVITIES AFTER TAXATION		<u>1,181</u>	<u>935</u>
Equity dividends	8	(167)	(125)
Retained profit for the year		<u><u>1,014</u></u>	<u><u>810</u></u>
All activities derive from continuing operations.			


STATEMENTS OF MOVEMENTS ON RESERVES
Year ended 28 February 1997

	Revaluation reserve £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
The Group				
Balance at 1 March 1996	49	125	2,677	2,851
Profit retained for the year	-	-	1,014	1,014
Profit realised on sale of property	(70)	-	70	-
Recognition of permanent diminution in value of properties previously considered temporary	208	-	(208)	-
Balance at 28 February 1997	<u>187</u>	<u>125</u>	<u>3,553</u>	<u>3,865</u>
The Company				
Balance at 1 March 1997	49	125	2,657	2,831
Profit retained for the year	-	-	1,200	1,200
Profit realised on sale of property	(70)	-	70	-
Recognition of permanent diminution in value of properties	208	-	(208)	-
Balance at 28 February 1997	<u>187</u>	<u>125</u>	<u>3,719</u>	<u>4,031</u>


CONSOLIDATED BALANCE SHEET
28 February 1997

		1997 £'000	1996 £'000
FIXED ASSETS			
Tangible assets	10	1,451	1,413
		<u>1,451</u>	<u>1,413</u>
CURRENT ASSETS			
Stocks	12	6,034	5,387
Debtors	13	2,568	4,829
Cash at bank and in hand		2,997	3,795
		<u>11,599</u>	<u>14,011</u>
CREDITORS: amounts falling due within one year	14	(8,674)	(12,165)
		<u>2,925</u>	<u>1,846</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		4,376	3,259
PROVISIONS FOR LIABILITIES AND CHARGES			
Machinery reserve	15	(386)	(283)
		<u>3,990</u>	<u>2,976</u>
CAPITAL AND RESERVES			
Called up share capital	17	125	125
Profit and loss account		3,553	2,677
Revaluation reserve		187	49
Capital redemption reserve		125	125
		<u>3,990</u>	<u>2,976</u>
EQUITY SHAREHOLDERS' FUNDS			
		<u>3,990</u>	<u>2,976</u>

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors 25 July 1997

R Burke

P Keates


PARENT COMPANY BALANCE SHEET
28 February 1997

		1997 £'000	1996 £'000
FIXED ASSETS			
Tangible assets	10	1,451	1,413
Investments	11	-	-
		<u>1,451</u>	<u>1,413</u>
CURRENT ASSETS			
Stocks	12	5,833	5,181
Debtors	13	2,928	4,950
Cash at bank and in hand		2,997	3,795
		<u>11,758</u>	<u>13,926</u>
CREDITORS: amounts falling due within one year			
Creditors	14	(8,667)	(12,100)
		<u>3,091</u>	<u>1,826</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,542</u>	<u>3,239</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Machinery reserve	15	(386)	(283)
		<u>4,156</u>	<u>2,956</u>
CAPITAL AND RESERVES			
Called up share capital	17	125	125
Profit and loss account		3,719	2,657
Revaluation reserve		187	49
Capital redemption reserve		125	125
		<u>4,156</u>	<u>2,956</u>
EQUITY SHAREHOLDERS' FUNDS		<u>4,156</u>	<u>2,956</u>

These financial statements were approved by the Board of Directors on 25 July 1997.

Signed on behalf of the Board of Directors

R Burke

P Keates


CONSOLIDATED CASH FLOW STATEMENT
 Year ended 28 February 1997

	Note	1997 £'000	1996 £'000
Net cash (outflow)/inflow from operating activities	1	(1,401)	3,143
Returns on investments and servicing of finance			
Interest received		225	252
Interest paid		(65)	(11)
Dividends paid		(165)	(130)
Net cash (outflow)/inflow from returns on investments and servicing of finance		(5)	111
Taxation			
Corporation tax paid (including advance corporation tax)		(476)	(183)
Investing activities			
Payments to acquire tangible fixed assets		(354)	(497)
Receipts from sale of tangible fixed assets		174	5
Net cash outflow from investing activities		(180)	(492)
Net cash (outflow)/inflow before financing		(2,062)	2,579
Net cash flow from financing		-	-
(Decrease)/increase in cash and cash equivalents	2,3	(2,062)	2,579



NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT **Year ended 28 February 1997**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW/ FROM OPERATING ACTIVITIES

	1997 £'000	1996 £'000
Operating profit	1,784	1,091
Depreciation	153	83
Loss/(profit) on sale of tangible fixed assets	(10)	(5)
Increase in stocks	(647)	(388)
Decrease/(increase) in debtors	2,271	(579)
(Decrease)/increase in creditors	(5,055)	2,888
Increase in machines reserve	103	53
Net cash (outflow)/inflow from operating activities	(1,401)	3,143

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	1997 £'000	1996 £'000
Balance at 1 March 1996	3,795	1,216
Net cash (outflow)/inflow	(2,062)	2,579
Balance at 28 February 1997	1,733	3,795

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1997 £'000	Change in year £'000	1996 £'000	Change in year £'000	1995 £'000
Cash at bank and in hand	2,997	(798)	3,795	2,579	1,216
Bank overdraft	(1,264)	(1,264)	-	-	-
Net	1,733	(2,062)	3,795	2,579	1,216

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 28 February 1997

	1997 £'000	1996 £'000
Profit for the financial year	1,014	935
Deficit on revaluation of fixed assets	-	(7)
Total recognised gains and losses relating to the year	<u>1,014</u>	<u>928</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
Year ended 28 February 1997

	1997 £'000	1996 £'000
Profit on ordinary activities after taxation	1,181	935
Dividends	(167)	(125)
	<u>1,014</u>	<u>810</u>
Other recognised gains and losses relating to the year	-	(7)
Net additions to shareholders' funds	1,014	803
Opening shareholders' funds	2,976	2,173
Closing shareholders' funds	<u>3,990</u>	<u>2,976</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
Year ended 28 February 1997

	1997 £'000	1996 £'000
Reported profit on activities before taxation	£ 1,944	1,332
Realisation of property revaluation gains of earlier years	70	-
Historical cost profit on ordinary activities before taxation	<u>2,014</u>	<u>1,332</u>
Historical cost profit retained for the period after taxation and dividends	<u>1,084</u>	<u>810</u>

**NOTES TO THE ACCOUNTS****Year ended 28 February 1997****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold and long leasehold properties.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all its subsidiaries.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Leasehold improvements	10% per annum
Motor vehicles	25% per annum
Office equipment	20% per annum

Freehold and long leasehold property is not depreciated. Instead the property is valued every year and recorded at its market price.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

Deferred taxation

Advance and progress payments are included under creditors to the extent that they exceed the related work-in-progress.

Long-term contracts

Long-term contract work-in-progress is stated at cost plus, where the outcome can be assessed with reasonable certainty, estimated profits attributable to the stage of completion, less provision for any known or anticipated losses and progress payments receivable on account.

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounting and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

Work-in-progress is shown under stocks, except where it includes attributable profit when it is shown under debtors as amounts recoverable under contracts.

Leases

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to income in equal annual amounts over the lease term.


NOTES TO THE ACCOUNTS
Year ended 28 February 1997
1. ACCOUNTING POLICIES (continued)
Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date or at specific contract forward currency rates. These translation differences are dealt with in the profit and loss account.

Machinery reserve

Full provision is made for likely services and spares costs in respect of machine tools sold and which are still under warranty at the year end.

Machine tool sales

The profit on sale of machine tools is taken on acceptance of machine tools by customers.

Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the Group's ordinary activities after deduction of trade discounts and value added tax.

2. ANALYSES OF TURNOVER AND OPERATING PROFIT

	Turnover		Operating profit	
	1997	1996	1997	1996
	£'000	£'000	£'000	£'000
Machine tools and related equipment	19,625	14,415	1,364	886
Tooling	613	431	43	34
Service and spares	2,428	2,187	169	171
	<u>22,666</u>	<u>17,033</u>	<u>1,576</u>	<u>1,091</u>


NOTES TO THE ACCOUNTS
 Year ended 28 February 1997

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	1997 £'000	1996 £'000
Directors' emoluments		
Salaries and other emoluments (including pension contributions paid on their behalf)	430	- 428
Emoluments of Chairman and highest paid director		
Remuneration of the Chairman	52	44
Remuneration of highest paid director	130	124
	No.	No.
Scale of other directors' remuneration (excluding pension contributions)		
£ 0 - £ 5,000	1	1
£ 70,001 - £ 75,000	1	-
£ 85,001 - £ 90,000	1	1
£ 90,001 - £ 95,000	-	1
Employees		
Average number of persons employed		
Service and other engineers	53	50
Sales and technical engineers	20	18
Administration	27	25
	100	93
Staff costs during the year (including directors) in respect of these employees were:	£'000	£'000
Wages and salaries	2,553	2,424
Social security	345	317
Pension costs	200	236
	3,038	2,977

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1997 £'000	1996 £'000
Profit on ordinary activities before taxation is after charging:		
Depreciation on owned assets	153	83
Auditors' remuneration	18	15
Non audit fees	12	1
Operating lease charges:		
for motor vehicles	215	254
for hire of other assets	33	30


NOTES TO THE ACCOUNTS
Year ended 28 February 1997
5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1997 £'000	1996 £'000
Bank interest	146	194
Other income	79	58
	<u>225</u>	<u>252</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1997 £'000	1996 £'000
Interest payable on bank overdrafts and bank charges	<u>65</u>	<u>11</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge in the profit and loss account is made up as follows:

	1997 £'000	1996 £'000
UK corporation tax:		
at the rate of 33% based on the profit for the year	778	791
Deferred taxation	9	(329)
Adjustment in respect of prior years' deferred taxation	(24)	(65)
	<u>763</u>	<u>397</u>

The excessive tax charge is due to items charged in the profit and loss account not allowable for tax purposes.

8. EQUITY DIVIDENDS

	1997 £'000	1996 £'000
Final proposed	<u>167</u>	<u>125</u>

The trustees of trusts in which 29,601 shares are held waived their right to dividends. L J Gray who holds 12,000 shares waived her right to dividends.

9. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's profit for the financial year before dividends amounted to £1,367,000 (1996 - £750,000).


NOTES TO THE ACCOUNTS
Year ended 28 February 1997
10. TANGIBLE FIXED ASSETS

Group and company	Freehold properties £'000	Long leasehold property £'000	Leasehold improvements £'000	Motor vehicles £'000	Office equipment £'000	Total £'000
Cost or valuation						
At 1 March 1996	879	160	548	173	747	2,507
Additions	-	-	4	127	223	354
Revaluation	-	-	-	-	-	-
Disposals	(133)	-	-	(81)	-	(214)
At 28 February 1997	746	160	552	219	970	2,647
Accumulated depreciation						
At 1 March 1996	-	-	458	77	559	1,094
Charge for the year	-	-	18	49	86	153
Disposals	-	-	-	(51)	-	(51)
At 28 February 1997	-	-	476	75	645	1,196
Net book value						
At 28 February 1997	746	160	76	144	325	1,451
At 29 February 1996	879	160	90	96	188	1,413

The properties were revalued during the year by the directors on a current open market basis.

The historical cost of the freehold properties and long leasehold property was £643,000 and £285,000 respectively.

11. INVESTMENTS HELD AS FIXED ASSETS

The subsidiaries of the company which are wholly owned and registered in England and Wales are as follows:

Company	Country of incorporation	Activity	Proportion of ordinary shares held
NCMT Automation Ltd	Great Britain	Factory Automation	100%
Eton Machine Tools Ltd	Great Britain	Sale of Machine Tools	100%


NOTES TO THE ACCOUNTS
Year ended 28 February 1997
12. STOCKS

	Group		Company	
	1997 £'000	1996 £'000	1997 £'000	1996 £'000
Machine tools and related equipment:				
Cost	7,911	11,009	7,712	10,852
Less payments on account	(2,934)	(6,576)	(2,934)	(6,576)
Net cost	4,977	4,433	4,778	4,276
Tooling	206	227	206	227
Spares	849	678	849	678
Automation	2	49	-	-
	6,034	5,387	5,833	5,181

13. DEBTORS

	Group		Company	
	1997 £'000	1996 £'000	1997 £'000	1996 £'000
Trade debtors	1,513	1,148	1,513	1,148
Amounts owed by subsidiary undertakings	-	-	360	121
ACT recoverable	50	54	50	54
Deferred tax (see note 16)	409	394	409	394
Other debtors	16	19	16	19
Prepayments	89	107	89	107
Accrued income	491	3,107	491	3,107
	2,568	4,829	2,928	4,950


NOTES TO THE ACCOUNTS
Year ended 28 February 1997
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	1997 £'000	1996 £'000	1997 £'000	1996 £'000
Bank overdraft	1,264	-	1,264	-
Payments on account of stock	2,469	2,888	2,469	2,888
Trade creditors	1,512	6,335	1,512	6,261
Amounts owed to subsidiary undertakings	-	-	-	-
Other taxes and social security	467	930	467	930
Current corporation tax	1,060	758	1,053	767
ACT payable	50	54	50	54
Accruals	1,685	1,035	1,685	1,035
Proposed dividend	167	165	167	165
	<u>8,674</u>	<u>12,165</u>	<u>8,667</u>	<u>12,100</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

	Group and Company	
	1997 £'000	1996 £'000
Machinery reserve		
Provision at 1 March 1996	283	230
Movement in year:		
Charge to the profit and loss account	103	53
Provision at 28 February 1997	<u>386</u>	<u>283</u>

16. DEFERRED TAX

	Provided 1997 £'000	Provided 1996 £'000	Not provided 1997 £'000	Not provided 1996 £'000
Deferred tax at 33% on the following items				
Capital allowances in excess of depreciation	(7)	8	-	-
Other short term timing differences	(402)	(402)	(39)	-
	<u>(409)</u>	<u>(394)</u>	<u>(39)</u>	<u>-</u>

A deferred tax asset has arisen due to the difference in the method of recognition of profit on machine sales for accounting and tax purposes.


NOTES TO THE ACCOUNTS

Year ended 28 February 1997

16. DEFERRED TAX (continued)

	1997 £'000	1996 £'000
Deferred tax		
Balance at 1 March 1996	(394)	-
Current year charge/(credit)	9	(329)
Prior year credit	(24)	(65)
	<u>(409)</u>	<u>(394)</u>
Balance at 28 February 1997	<u>(409)</u>	<u>(394)</u>

17. CALLED UP SHARE CAPITAL

	1997 £'000	1996 £'000
Authorised:		
1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid:		
125,000 ordinary shares of £1 each	<u>125</u>	<u>125</u>

As at 28 February 1997, the parent company had options outstanding for 3,700 shares.

These options are exercisable by employees at £12 per share before 30 November 2001.

18. OPERATING LEASE COMMITMENTS

At 28 February 1997, the Group was committed to making the following payments during the next year in respect of operating leases:

	1997 £'000
Motor vehicles	
Leases which expire:	
Within one year	204
Within two to five years	230
	<u>434</u>

19. PENSION SCHEMES

The company runs money purchase pension schemes subject to review by professional pension advisers. Employees aged between 18 and 65 years are entitled to join the Scheme. Employees and the employer are required to contribute at a minimum rate of 2.5% for employees and 7.5% for the employer.