REGISTERED

COMPANY REGISTRATION NUMBER 01486521

BAWA ENGINEERING LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR

31 MARCH 2003

KEENS SHAY KEENS
CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

A21 *A152IOYM* 0877
COMPANIES HOUSE 06/10/03

BAWA ENGINEERING LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

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BAWA ENGINEERING LIMITED

BALANCE SHEET

31 MARCH 2003

	Note	2003 £	2003 £	2002 £	2002 £
FIXED ASSETS	**2**				
Tangible assets			356,775		410,482
CURRENT ASSETS					
Stocks		275		200	
Debtors		65,710		83,421	
Cash at bank and in hand		-		3,262	
		65,985		86,883	
CREDITORS: Amounts falling due within one year		110,646		119,652	
NET CURRENT LIABILITIES			(44,661)		(32,769)
TOTAL ASSETS LESS CURRENT LIABILITIES			312,114		377,713
CREDITORS: Amounts falling due after more than one year			154,705		217,290
PROVISIONS FOR LIABILITIES AND CHARGES			7,824		10,970
			149,585		149,453

The Balance sheet continues on the following page.

BAWA ENGINEERING LIMITED

BALANCE SHEET *(continued)*

31 MARCH 2003

	Note	2003 £	2002 £
CAPITAL AND RESERVES			
Called-up equity share capital	3	100	100
Profit and Loss Account		149,485	149,353
SHAREHOLDERS' FUNDS		149,585	149,453

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 3rd October 2003 and are signed on their behalf by:

A S BAHEL
Director

BAWA ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	15% Reducing Balance
Motor Vehicles	-	20% Reducing Balance

In the Directors' opinion the programme of maintenance and improvements undertaken by the Company is sufficient to ensure that the residual value of the freehold land and buildings will exceed the original cost. Accordingly no depreciation has been provided in respect of the Company's Freehold Properties.

Investment properties

Investments are stated at cost to the Company.

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

BAWA ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 April 2002	508,679
Disposals	(80,000)
At 31 March 2003	428,679
DEPRECIATION	
At 1 April 2002	98,197
Charge for year	7,648
On disposals	(33,941)
At 31 March 2003	71,904
NET BOOK VALUE	
At 31 March 2003	356,775
At 31 March 2002	410,482

BAWA ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

3. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
100 Ordinary shares of £1 each	100	100

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	100	100	100	100