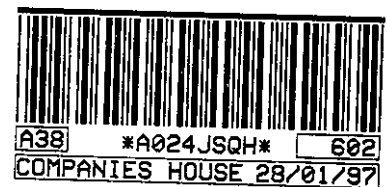


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NICHO ELECTRICAL LIMITED

Financial Statements

for the year ended 5 April 1996



NICHO ELECTRICAL LIMITED

Annual report and financial statements for the year ended 5 April 1996

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Director

T Nicholls

Secretary and Registered Office

Mrs Y Knight
123 Lower Camden
Chislehurst
Kent
BR7 5JD

Auditors

Stephen Briggs BA(Hons) ACA
Chartered Accountant & Registered Auditor
36 Worple Road
Staines
Middlesex
TW18 1EA

NICHO ELECTRICAL LIMITED

Report of the Directors for the year ended 5 April 1996

The director presents his report together with the audited financial statements for the year ended 5 April 1996.

REVIEW OF THE BUSINESS

The principal activity of the company continued to be that of electrical distributors.

DIRECTORS

The following have been directors during the whole of the period. The interests of the directors in the shares of the company, according to the register of director's interest, were shown below:

	£1 Ordinary shares	
	5 April 1996	6 April 1995
T Nicholls	1	1

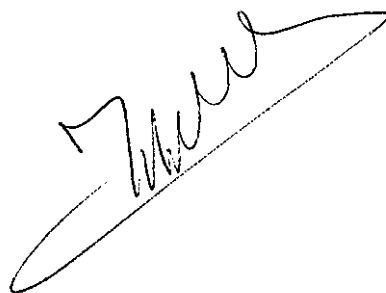
AUDITORS

Stephen Briggs has expressed his willingness to continue in office and a resolution to reappoint him will be proposed at the annual general meeting

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on 7 January 1997 and signed on their behalf.

BY ORDER OF THE BOARD

T NICHOLLS
Director



RA7
Bermondsey Trading Estate
Rotherhithe New Road
London
SE16 3LL

7 January 1997

NICHO ELECTRICAL LIMITED**Statement of Directors Responsibilities for the year ended 5 April 1996**

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 of the profit or loss of the company 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;
- * prepare the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NICHO ELECTRICAL LIMITED
Report of the Auditors

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on the page following the Director's Report, 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit in order to obtain all the information and explanations which we considered necessary 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 5 April 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.

Dated: 7 January 1997

Stephen Briggs

Stephen Briggs BA(Hons) ACA
Chartered Accountant & Registered Auditor
36 Worple Road
Staines
Middlesex
TW18 1EA

NICHO ELECTRICAL LIMITED**Profit and loss account for the year ended 5 April 1996**

	Notes	1996	1995
		£	£
Turnover	1	571192	633256
Cost of Sales		<u>372964</u>	<u>400080</u>
Gross Profit		198228	233176
Administration Expenses		<u>188921</u>	<u>189601</u>
Operating Profit		9307	43575
Other Interest Receivable & Similar Income		770	22
Interest Payable	2	<u>729</u>	<u>199</u>
Profit on ordinary activities before taxation	3	9348	43398
Tax on Profit on Ordinary Activities	4	(<u>3879</u>)	<u>12759</u>
Profit on Ordinary Activities after Taxation and Retained Profit for year		13227	30639
Balance at 6 April 1995		<u>52970</u>	<u>22331</u>
Balance at 5 April 1996		<u>66197</u>	<u>52970</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The profit for the year represents the total gains and losses recognised for the last year.

HISTORICAL PROFITS AND LOSSES

The reported profit represents the historical profit for the year.

CONTINUING OPERATIONS

All of the companys' operations are classed as continuing.

NICHO ELECTRICAL LIMITED
Balance Sheet at 5 April 1996

		1996		1995	
	Notes	£	£	£	£
<u>FIXED ASSETS</u>	5		23220		30853
<u>CURRENT ASSETS</u>					
Stock	6		36039		31524
Debtors	7		138902		73617
Cash at bank and in hand			<u>2153</u>		<u>9791</u>
			177094		114932
<u>CREDITORS</u>					
Amounts falling due within one year	8		(<u>124029</u>)		(<u>78768</u>)
<u>NET CURRENT ASSETS</u>			<u>53065</u>		<u>36164</u>
			76285		67017
<u>CREDITORS</u>					
Amounts falling due after one year	9		(<u>10086</u>)		(<u>14045</u>)
<u>NET ASSETS</u>			<u>66199</u>		<u>52972</u>
<u>CAPITAL AND RESERVES</u>					
Called up share capital	11		2		2
Profit and loss account			<u>66197</u>		<u>52970</u>
<u>EQUITY SHAREHOLDERS FUNDS</u>	12		<u>66199</u>		<u>52972</u>

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small companies conferred by part I of Schedule 8 of the Companies Act 1985. In the Director's opinion, the company is entitled to these exemptions as a small company.

APPROVED BY THE BOARD ON 7 JANUARY 1997

T Nicholls - Director

NICHO ELECTRICAL LIMITED

Notes forming part of the accounts for the year ended 5 April 1996

1 ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards using the following accounting policies:-

TURNOVER

Turnover represents amounts invoiced to outside customers at invoiced amount less value added tax.

DEPRECIATION

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:-

Motor vehicles	20% per annum on cost
Fixtures & fittings	10% per annum on cost

STOCKS

Stocks are valued at the lower of cost or net realisable value.

PENSION CONTRIBUTIONS

The company has a defined contribution scheme and contributions to which are charged against profits in the year.

NICHO ELECTRICAL LIMITED

Notes forming part of the accounts for the year ended 5 April 1996

/continued.

	1996 £	1995 £
2 INTEREST PAYABLE		
Hire purchase interest payable	<u>729</u>	<u>199</u>
3 PROFIT ON ORDINARY ACTIVITIES		
This is arrived at after charging		
Salaries	67453	59885
Social Security Costs	9455	9761
Auditors remuneration	1000	500
Depreciation	6580	7633
Loss on disposal of fixed assets	-	4000
Directors' emoluments	27800	35815
Pension Contributions	<u>6954</u>	<u>16105</u>
4 TAXATION		
The tax charge is made up of		
Corporation tax at 25% (1995 - 25%)	4269	12759
Overprovision in respect to previous year	(8194)	-
Interest on late payment	<u>46</u>	<u>-</u>
	<u>(3879)</u>	<u>12759</u>

NICHO ELECTRICAL LIMITED

Notes forming part of the accounts for the year ended 5 April 1996

/continued

5 TANGIBLE FIXED ASSETS

	Motor Vehicles £	Fixtures & Fittings £	Total £
COST			
At 6 April 1995 and 5 April 1996	<u>26620</u>	<u>17727</u>	<u>44347</u>
DEPRECIATION			
At 6 April 1995	6915	6579	13494
Charge for the period	<u>5324</u>	<u>2309</u>	<u>7633</u>
At 5 April 1996	<u>12239</u>	<u>8888</u>	<u>21127</u>
NET BOOK VALUE			
At 5 April 1996	<u>14381</u>	<u>8839</u>	<u>23220</u>
At 6 April 1995	<u>19705</u>	<u>11148</u>	<u>30853</u>

Included in the above are assets purchased under hire purchase agreements with a net book value of £10392 (1995-£12990). Depreciation charged during the year on assets purchased under hire purchase agreements amounted to £2598 (1995-£2598).

6 STOCK

	1996 £	1995 £
Finished goods for resale	<u>36039</u>	<u>31524</u>

7 DEBTORS

Trade debtors	131007	66317
Prepayments	<u>7895</u>	<u>7300</u>
	<u>138902</u>	<u>73617</u>

All the above amounts are considered receivable within one year.

NICHO ELECTRICAL LIMITED

Notes forming part of the accounts for the year ended 5 April 1996

/continued

	1996 £	1995 £
8 CREDITORS		
Amounts falling due within one year		
Trade creditors	69240	30384
Accruals	1000	1000
Directors loan	10000	10000
Creditors for taxation and social security	24893	7095
Corporation tax	5595	23865
Other creditors	8983	2106
Hire purchase agreements	<u>4318</u>	<u>4318</u>
	<u>124029</u>	<u>78768</u>
9 CREDITORS		
Amounts falling due after one year		
Directors loan account	6488	6488
Hire purchase agreement	<u>3598</u>	<u>7557</u>
	<u>10086</u>	<u>14045</u>
10 HIRE PURCHASE LIABILITIES		
Amounts payable within one year	4318	4318
Amount payable in one to five years	<u>3598</u>	<u>7557</u>
	<u>7916</u>	<u>11875</u>
11 CALLED UP SHARE CAPITAL		
Authorised		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>
12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS		
Balance at 6 April 1995:		
Issued Share Capital	2	2
Profit & Loss Account	<u>52970</u>	<u>22331</u>
	52972	22333
Retained Profit for the Year	<u>13227</u>	<u>30639</u>
Balance at 5 April 1996	<u>66199</u>	<u>52972</u>