

Lodestar Engineers Limited

Registration Number 2778021

Johnson Street

Sheffield

S3 8GU

Abbreviated Accounts

for the year ended 31 March 2000



Marriott Gibbs

**Chartered Certified Accountants
Registered Auditors & Business Advisors**

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Registered as auditors and authorised to conduct investment
business by the Association of Chartered Certified Accountants



Lodestar Engineers Limited

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**Auditors' Report to Lodestar Engineers Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of Lodestar Engineers Limited for the year ended 31 March 2000, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

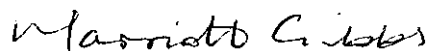
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 March 2000, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

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 the company and of the profit or loss of the company for that year. In preparing these the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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 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.



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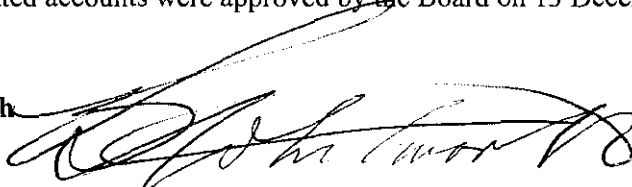
**Abbreviated Balance Sheet
as at 31 March 2000**

		2000		1999	
	Notes	£	£	£	£
Fixed Assets					
Intangible assets	2	-	-	-	-
Tangible assets	2	1,590,982		1,488,718	
Investments	2	-	-	1	1
		<u>1,590,982</u>		<u>1,488,719</u>	
Current Assets					
Stocks		9,859		6,567	
Debtors		516,800		434,770	
Cash at bank and in hand		327		89,642	
		<u>526,986</u>		<u>530,979</u>	
Creditors: amounts falling due within one year	3	<u>(978,161)</u>		<u>(616,907)</u>	
Net Current Liabilities			<u>(451,175)</u>		<u>(85,928)</u>
Total Assets Less Current Liabilities			1,139,807		1,402,791
Creditors: amounts falling due after more than one year	4		<u>(589,411)</u>		<u>(900,815)</u>
Net Assets			<u><u>550,396</u></u>		<u><u>501,976</u></u>
Capital and Reserves					
Called up share capital	5		200,000		200,000
Other reserves			51,000		51,000
Profit and loss account			299,396		250,976
Shareholders' Funds			<u><u>550,396</u></u>		<u><u>501,976</u></u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board on 13 December 2000 and signed on its behalf by

B Whitworth
Director



The notes on pages 3 to 5 form an integral part of these financial statements.

Lodestar Engineers Limited

Notes to the Abbreviated Financial Statements for the year ended 31 March 2000

1. Accounting Policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight Line over the life of the lease
Plant and machinery	-	7.5% Straight line
Fixtures, fittings and equipment	-	20% Straight line
Motor vehicles	-	25% Straight line

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

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

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year in accordance with SSAP 24.

1.8. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

Lodestar Engineers Limited

Notes to the Abbreviated Financial Statements for the year ended 31 March 2000

1.9. Consolidated accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Fixed assets

	Intangible assets £	Tangible fixed assets £	Investments £	Total £
Cost				
At 1 April 1999	30,000	1,776,410	1	1,806,411
Additions	-	271,533	-	271,533
Disposals	-	(15,000)	(1)	(15,001)
At 31 March 2000	<u>30,000</u>	<u>2,032,943</u>	<u>-</u>	<u>2,062,943</u>
Depreciation and Provision for diminution in value				
At 1 April 1999	30,000	287,692	-	317,692
On disposals	-	(7,880)	-	(7,880)
Charge for year	-	162,149	-	162,149
At 31 March 2000	<u>30,000</u>	<u>441,961</u>	<u>-</u>	<u>471,961</u>
Net book values				
At 31 March 2000	<u>-</u>	<u>1,590,982</u>	<u>-</u>	<u>1,590,982</u>
At 31 March 1999	<u>-</u>	<u>1,488,718</u>	<u>1</u>	<u>1,488,719</u>

The asset represents purchased goodwill that arose following the formation of the company. In line with the opinion of the directors this goodwill was amortised over a five year period, which was their estimate of the period over which the benefits were expected to arise.

2.1. Investment details

	2000 £	1999 £
Subsidiary undertaking	<u>-</u>	<u>1</u>

3. Creditors: amounts falling due within one year

	2000 £	1999 £
Creditors include the following:		
Secured creditors	<u>657,269</u>	<u>298,728</u>

Lodestar Engineers Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 March 2000**

4.	Creditors: amounts falling due after more than one year	2000 £	1999 £
	Creditors include the following:		
	Secured creditors	<u>589,411</u>	<u>900,815</u>
5.	Share capital	2000 £	1999 £
	Authorised equity		
	500,000 Ordinary shares of £1 each	500,000	449,000
	- Preference shares of £1 each	<u>-</u>	<u>51,000</u>
		<u>500,000</u>	<u>500,000</u>
	Allotted, called up and fully paid equity		
	200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

The 51,000 8% preference shares of £1 each were redeemed 19 January 1999 at par.