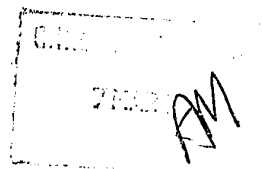


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LIFSONTO LIMITED

MODIFIED ACCOUNTS

AS AT 31ST DECEMBER 1986



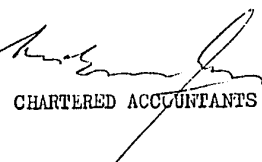
REPORT OF THE AUDITORS
TO THE DIRECTORS OF LIPSONTO LIMITED
UNDER SCHEDULE 8 OF THE COMPANIES ACT 1985

As Auditors of Lipson Limited we reported under Section 236 of the Companies Act 1985 on the Accounts of the Company prepared under Section 227 of the Companies Act 1985 for the year ended 31st December 1986 as follows:-

"We have audited the financial statements on pages 2 to 5 in accordance with Approved Auditing Standards. In our opinion, the financial statements which have been prepared under the historical cost convention give, under that accounting convention, a true and fair view of the Company's affairs at 31st December 1986 and of its loss and source and application of funds for the year then ended and comply with the Companies Act 1985."

We have examined the Modified Accounts on pages 2 and 3 which have been properly prepared from the Accounts of the Company prepared under Section 227 of the Companies Act 1985 for the year ended 31st December 1986 in the manner permitted for a small company under Section 247 of the Companies Act 1985.

In our opinion, the Company satisfies the requirements for exemption appropriate to a small company under Section 248 of the Companies Act 1985.


CHARTERED ACCOUNTANTS

GLASGOW, 2nd March 1988

LIPSONTO LIMITED
MODIFIED BALANCE SHEET
AS AT 31ST DECEMBER 1986

	<u>Notes</u>	<u>1986</u>	<u>1985</u>
<u>FIXED ASSETS</u>			
Tangible Assets		£ -	£9,963.77
<u>CURRENT ASSETS</u>			
Cash at Bank	£ 61.47		81.47
Parent Company Loan	2 44,491.73		34,664.06
		<u>£44,553.20</u>	<u>£34,745.53</u>
<u>CURRENT LIABILITIES</u>			
(Due within one year)		<u>2,125.00</u>	<u>2,231.50</u>
<u>NET CURRENT ASSETS</u>		<u>42,428.20</u>	<u>32,514.03</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>£42,428.20</u>	<u>£42,477.80</u>

Represented Thus:-

CAPITAL AND RESERVES

Share Capital	3	£ 100.00	£ 100.00
Capital Reserve		44,294.59	44,294.59
		<u>£44,394.59</u>	<u>£44,394.59</u>
Profit and Loss Account - Deficit		<u>1,966.39</u>	<u>1,916.79</u>
		<u>£42,428.20</u>	<u>£42,477.80</u>

In preparing these Modified Accounts:

- (a) We have relied upon the exemptions for individual Accounts under Sections 247 to 249 of the Companies Act 1985.
- (b) We have done so on the grounds that the Company is entitled to the benefit of these exemptions as a small company.

[Signature]
.....Director
[Signature]
.....Director

GLASGOW 2nd March 1988

The Notes on page 3 form part of these Modified Accounts.

MISONTO LIMITED

NOTES TO THE MODIFIED ACCOUNTS

1. ACCOUNTING POLICIES

Accounting Convention

The Accounts are prepared under the historical cost convention.

2. PARENT COMPANY LOAN

The Loan to the Parent Company is interest free and there is no fixed date for repayment.

3. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, Issued and Fully Paid</u>	
	<u>1986</u>	<u>1985</u>	<u>1986</u>	<u>1985</u>
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>