



N U B ENGINEERING LIMITED

Abbreviated accounts

31 March 1996

**Deloitte & Touche
39 St Vincent Place
Glasgow G1 2QQ**





Chartered Accountants

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AUDITORS' REPORT TO THE DIRECTORS OF N U B ENGINEERING LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of N U B Engineering Limited for the year ended 31 March 1996. The scope of our work for the purpose of this report was limited to confirming whether the company is entitled to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled to the exemptions claimed in the directors' statement on page 3 and the abbreviated accounts have been properly prepared in accordance with Schedule 8 to the Companies Act 1985.

On 2 October 1996 we reported, as auditors of N U B Engineering Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1996 and our audit report was as follows:

"We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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 company's circumstances, consistently applied and adequately disclosed.



**AUDITORS' REPORT TO THE DIRECTORS OF N U B ENGINEERING LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985
(continued)**

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 the company's affairs as at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

The statement of directors' responsibilities referred to in our audit report on the full financial statements, reproduced above, was as follows:

"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 as at the end of the financial year 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 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."

Chartered Accountants and
Registered Auditors

5 December 1996

BALANCE SHEET
31 March 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Tangible assets	2	117,779	116,362
CURRENT ASSETS			
Stocks		106,362	48,670
Debtors		460,619	349,479
Cash at bank and in hand		78,407	145,157
		645,388	543,306
CREDITORS: amounts falling due within one year		417,604	315,694
NET CURRENT ASSETS		227,784	227,612
TOTAL ASSETS LESS CURRENT LIABILITIES		345,563	343,974
CREDITORS: amounts falling due after more than one year		(9,719)	(16,698)
PROVISIONS FOR LIABILITIES AND CHARGES		(7,781)	(7,115)
		328,063	320,161
CAPITAL AND RESERVES			
Called up share capital	4	5,000	5,000
Profit and loss account		323,063	315,161
TOTAL EQUITY SHAREHOLDERS' FUNDS		328,063	320,161

Advantage is taken of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 with respect to the delivery of individual accounts. In the opinion of the directors, the company is entitled to those exemptions on the grounds that it has met the qualifications for a small company specified in Sections 246 and 247 of the Companies Act 1985.

Signed on behalf of the Board of Directors

W M Usher

Director

W Nicholson

Director



NOTES TO THE BALANCE SHEET

31 March 1996

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

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:

Heritable Property	2% per annum
Plant and machinery	20% per annum
Motor Vehicles	25% per annum
Fixtures, fittings and tenants improvements	14% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. 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

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

Leases

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

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

Pension costs

The company pays contributions to personal pension plans to secure retirement benefits for directors and employees. These contributions are held in funds outwith the company.

The pension costs charge for the year was £18,000 (1995 - £19,500).

**NOTES TO THE BALANCE SHEET
 31 March 1996**

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 April 1995	243,086
Additions in year	25,002
Disposals in year	(8,000)
At 31 March 1996	260,088
Accumulated depreciation	
At 1 April 1995	126,725
Charge in year	19,584
Disposals in year	(4,000)
At 31 March 1996	142,309
Net book value	
At 31 March 1996	117,779
At 31 March 1995	116,362

3 BORROWINGS

	1996 £	1995 £
Analysis of loan repayments:		
Bank loans and overdrafts		
Within one year or on demand	4,333	4,333
Between two and five years	9,719	14,055
	14,052	18,388
Other loans including finance leases and hire purchase contracts net of future finance charges		
Within one year or on demand	2,643	13,204
Between one and two years	-	2,643
	2,643	15,847



**NOTES TO THE BALANCE SHEET
31 March 1996**

3 BORROWINGS (continued)

The bank loan and overdraft are secured by a standard security over the heritable property, a bond and floating charge over the assets of the company, and a guarantee from Scottish Enterprise to cover the bank loan.

The bank loan is repayable in quarterly instalments and bears interest at 1% over base rate, the last payment being due in June 1999.

4 CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised		
10,000 ordinary shares of £1.00 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Called up, allotted and fully paid		
5,000 ordinary shares of £1.00 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>