



N U B ENGINEERING LIMITED

Abbreviated accounts

31 March 1998

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



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AUDITORS' REPORT TO THE DIRECTORS OF N U B ENGINEERING LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of N U B Engineering Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with sections 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with those sections and whether the abbreviated accounts have been 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 audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 247 and 247A of the Companies Act 1985 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 1998, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

Chartered Accountants and
Registered Auditors

15 September 1998

BALANCE SHEET
31 March 1998

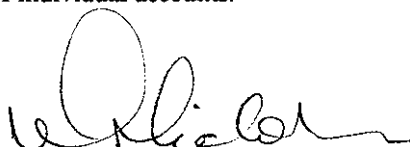
	Note	1998 £	1997 £
FIXED ASSETS			
Tangible assets	2	178,535	167,696
CURRENT ASSETS			
Stocks		209,169	105,255
Debtors		391,654	323,280
Cash at bank and in hand		38,443	31,859
		639,266	460,394
CREDITORS: amounts falling due within one year	3	443,356	271,646
NET CURRENT ASSETS		195,910	188,748
TOTAL ASSETS LESS CURRENT LIABILITIES		374,445	356,444
CREDITORS: amounts falling due after more than one year	4	(10,688)	(43,192)
PROVISIONS FOR LIABILITIES AND CHARGES		(6,274)	(6,958)
		357,483	306,294
CAPITAL AND RESERVES			
Called up share capital	5	5,000	5,000
Revaluation reserve account		48,825	-
Profit and loss account		303,658	301,294
TOTAL EQUITY SHAREHOLDERS' FUNDS		357,483	306,294

These accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 with respect to the delivery of individual accounts.

Signed on behalf of the Board of Directors

W M Usher

Director

W Nicholson

Director

14.9.98

NOTES TO THE BALANCE SHEET
31 March 1998

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the revaluation of fixed assets.

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 equipment	20% per annum
Motor Vehicles	25% per annum
Fixtures, fittings and equipment	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.

NOTES TO THE BALANCE SHEET
31 March 1998

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 April 1997	312,595
Additions in year	12,338
Disposals in year	(20,300)
Adjustment on revaluation	34,302
At 31 March 1998	338,935
Accumulated depreciation	
At 1 April 1997	144,899
Charge in year	36,424
Disposals in year	(5,800)
Adjustments on revaluations	(15,123)
At 31 March 1998	160,400
Net book value	
At 31 March 1998	178,535

3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Creditors, amounts falling due within one year includes:		
Bank loan	4,336	4,336
Obligations due under finance leases and HP contracts	19,049	28,611

Obligations under finance leases and hire purchase contracts are secured by the assets to which they relate.

The bank loan is secured by a standard security over the heritable property 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.

NOTES TO THE BALANCE SHEET
31 March 1998

4 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998 £	1997 £
Creditors, amounts falling due after more than one year include:		
Bank loan	1,044	5,380
Obligations due under finance leases and HP contracts	9,644	37,812
	<u> </u>	<u> </u>

5 CALLED UP SHARE CAPITAL

	1998 £	1997 £
Authorised		
10,000 ordinary shares of £1.00 each	10,000	10,000
	<u> </u>	<u> </u>
Called up, allotted and fully paid		
5,000 ordinary shares of £1.00 each	5,000	5,000
	<u> </u>	<u> </u>