

FABCHROME LIMITED

COMPANY NO.	SC 134657
DIRECTORS	R Moir J Moir
SECRETARY	S Moir
REGISTERED OFFICE	58-60 Tannoch Drive Lenziemill Industrial Estate Cumbernauld Glasgow G67 2XX
BANKERS	Clydesdale Bank PLC 1 South Broomage Avenue Larbert FK5 3LD
AUDITORS	Curle & Company 76 Main Street Kilsyth G65 0AL
SOLICITORS	Barton & Henry 8 Ettrick Walk Town Centre Cumbernauld

YEAR ENDED 31st December 1997

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MODIFIED BALANCE SHEET

31 DECEMBER 1997

	Note	1997	1996
FIXED ASSETS			
Tangible Assets		228,803	241,712
CURRENT ASSETS			
Stocks		4,174	4,962
Debtors		175,755	110,990
Bank		78,361	79,577
		<u>258,290</u>	<u>195,529</u>
CREDITORS			
Amounts falling due within 1 year	1	<u>168,642</u>	<u>126,355</u>
TOTAL CURRENT ASSETS		<u>89,648</u>	<u>69,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>318,451</u>	<u>310,886</u>
CREDITORS			
Amounts falling due outwith 1 year		<u>121,891</u>	<u>134,137</u>
		<u>196,560</u>	<u>176,749</u>
REPRESENTED BY:			
CAPITAL AND RESERVES			
Called up Share Capital	2	15,000	15,000
Retained Profits/(Losses)		159,560	136,249
Grants		22,000	25,500
		<u>196,560</u>	<u>176,749</u>

We have relied on Sections 247 to 249 (A) (2), 249 (B)(2) of the Companies Act 1985 entitling us to deliver modified accounts on the grounds that the company is entitled to the benefit of those sections as a small company.

The notes on page 4 form part of the Accounts.

Approved by the Board on the 20/4/98


DIRECTOR


DIRECTOR

FABCHROME LIMITED

1. ACCOUNTING POLICIES

a) **Accounting Convention**

The accounts are prepared under the historical cost convention.

b) **Depreciation**

Depreciation is calculated to write off the cost of the tangible fixed assets over the expected useful lives on the assets concerned. The principal annual rates used for this purpose are as follows:

Fixtures & Fittings	20%	Straight Line
Motor Vehicles	25%	Straight Line
Plant & Equipment	10%	Straight Line

c) **Stock**

Stocks are stated at the lower of cost and net realisable value.

d) **Deferred Taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.

e) **Leasing & Hire Purchase Commitments**

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term. Leases for motor vehicles have been treated as operating leases.

f) **Cash Flow**

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from providing cash flow statements on the grounds that it is a small company.

FABCHROME LIMITED

NOTES ON THE MODIFIED ACCOUNTS

Year Ended 31 December 1997

1. CREDITORS

Amounts falling due within one year.

Included in this figure is an amount of £ 15,611 (1996 - £ 22,680) in respect of Loans and Hire Purchase Creditors.

The Clydesdale Bank hold a Bond and Floating Charge in security of their Loans.

2. SHARE CAPITAL

Authorised:

500,000 ordinary shares of £1 each

500,000

Allotted, issued and fully paid

15,000 ordinary shares of £1 each

15,000

FABCHROME LIMITED

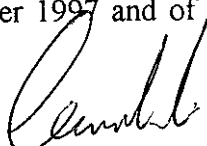
REPORT OF THE AUDITORS TO THE DIRECTORS OF FABCHROME LIMITED UNDER SCHEDULE 8. PARAGRAPH 10, OF THE COMPANIES ACT 1985.

In our opinion the company satisfies the requirements of section 248 (1) of the Companies Act 1985 for exemption as a small company in respect of the year ended 31st December 1997 and the modified accounts set out on pages 2-4 have been properly prepared in accordance with schedule 8 of that Act. We are not required to express an opinion on the truth and fairness of these modified accounts.

As auditors we reported to the members of the company on the 30th April 1998 on the accounts prepared under section 227 of the Companies Act 1985 for the year ended 31st December 1997. Our audit opinion was as follows:

We have audited the accounts in accordance with approved auditing standards.

In our opinion, the accounts, which are prepared under the historical cost convention give, so far as concern the members, a true and fair view of the state of the company's affairs at 31st December 1997 and of its profit for the year then ended and comply with the Companies Act 1985.



**CURLE & COMPANY
REGISTERED AUDITORS**

**KILSYTH
DATED:**

20/4/98