

490021

STEVENAGE MACHINE TOOLS LIMITED

FINANCIAL STATEMENTS

TO

31ST JULY 2001



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ACCOUNTANTS REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
STEVENAGE MACHINE TOOLS LIMITED

We report on the financial statements for the year ended 31st July 2001 set out on pages 1 to 13.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described on the Balance Sheet, the company's directors are responsible for the preparation of financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion to you.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

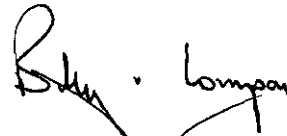
OPINION

In our opinion:-

- a) The financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985.
- b) Having regard only to, and on the basis of, the information contained in those accounting records:-
 - 1) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C (6) of the Act; and
 - 2) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A (4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B (1).

38 Culverhouse Road,
Luton,
Bedfordshire.

23rd November 2001


Billington & Company
Accountants

STEVENAGE MACHINE TOOLS LIMITED
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FOR THE YEAR ENDED 31ST JULY 2001

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The following page does not form part of the Statutory Accounts

12 - 13	Trading and Profit and Loss Accounts
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Registered Number

490021 (England and Wales)

STEVENAGE MACHINE TOOLS LIMITED

DIRECTORS REPORT

The Directors submit their Annual Report and the Company's Financial Statements for the year ended 31st July 2001.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of the Company and of the profit or loss of that company for that period.

In preparing those financial statements, the Directors are required to:-

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) prepare 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 of fraud and other irregularities.

ACTIVITIES

Machine Tools and Engineers Merchants.

DIRECTORS

The Directors of the Company were:-

Mrs M G Elliott	(Chairman and Managing Director)
E Elliott	

STEVENAGE MACHINE TOOLS LIMITEDDIRECTORS REPORTDIRECTORS INTERESTS

The Directors interests, including family interests, in the shares of the Company are as follows:-

	Class of Share	Interest at Financial Year End	Interest at Beginning of Year
Mrs M G Elliott	Ordinary	50,000	50,000
E Elliott	Ordinary	50,000	50,000

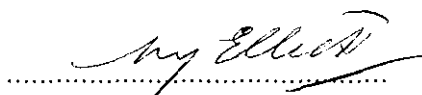
SMALL COMPANY DISCLOSURE

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies on the grounds that, in their opinion, the Company is entitled to those exemptions.

REGISTERED OFFICE

38 Culverhouse Road,
Luton,
Bedfordshire.

Signed on behalf of
the Board of Directors



Mrs M G Elliott

Director

Approved by the board on 23rd November 2001

STEVENAGE MACHINE TOOLS LIMITED**BALANCE SHEET****AS AT 31ST JULY 2001**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
<u>Fixed Assets</u>			
Tangible Assets	(3)	10,914	13,648
<u>Current Assets</u>			
Stocks		9,870	10,320
Debtors	(4)	52,237	66,293
Cash at Bank and in Hand	(5)	12,686	20,297
		74,793	96,910
<u>Creditors</u>			
Amounts falling due within one year	(6)	27,945	36,050
Net Current Assets		46,848	60,860
Total Assets less Current Liabilities		<u>£57,762</u>	<u>£74,508</u>
<u>Capital and Reserves</u>			
Called Up Share Capital	(2)	5,000	5,000
Loan Account Waived		1,904	1,904
Profit and Loss Account		50,858	67,604
Shareholders Funds	(11)	<u>£57,762</u>	<u>£74,508</u>

The statements required to be made by the company's directors and the signature required by the Companies Act 1985 are given on the following page.

STEVENAGE MACHINE TOOLS LIMITED

BALANCE SHEET

AS AT 31ST JULY 2001

The directors have taken advantage of the exemption conferred by Section 249A (1) of the Companies Act 1985 not to have these financial statements audited and confirm that no notice has been deposited under Section 249B (2) of the Act.

The directors acknowledge their responsibilities for:-

- 1) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- 2) Preparing financial statements which give a true and fair view of the state of affairs of the company as at 31st July 2001 and of the profit for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The Directors have taken advantage of special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements were approved by the board of directors on 23rd November 2001.

Signed on behalf of the board of directors

 Mrs M G Elliott - Director

The notes on pages 6 to 11 form part of these financial statements

STEVENAGE MACHINE TOOLS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST JULY 2001

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
Turnover		234,931	257,612
Cost of Sales		153,387	175,980
Gross Profit for the Year		81,544	81,632
Administrative Expenses		81,290	81,956
Operating Profit (Loss)		254	(324)
Interest Receivable	(8)	212	438
Profit on ordinary activities before taxation		466	114
Tax on ordinary activities	(9)	212	243
Profit (Loss) on ordinary activities after taxation		254	(129)
Dividends Paid		17,000	10,000
		(16,746)	(10,129)
Accumulated Profit brought forward		67,604	77,733
Accumulated Profit carried forward		£50,858	£67,604

Total Recognised Gains and Losses:-

The Company has no recognised gains or losses other than the profit or loss for the above financial years.

Continuing Operations:-

None of the Company's activities were acquired or discontinued during the above financial years.

The notes on pages 6 to 11 form part of these financial statements.

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

1. Accounting Policies

a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

b) Depreciation

Depreciation is provided on all tangible fixed assets by the reducing balance method at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Alterations to Premises	10%
Plant and Machinery	20%
Furniture Fixtures and Fittings	10%
Motor Vehicles	20%
Computer Equipment	20%

c) Stocks

Stock is stated at the lower of cost and net realisable value.

d) Turnover

Turnover represents goods supplied and services rendered exclusive of Value Added Tax.

e) Deferred Taxation

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

f) Cash Flow Statement

The Directors have taken advantage of the exemptions provided by Financial Reporting Standard 1 and have therefore elected to dispense with the Cash Flow Statement in these financial statements.

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

2. Share Capital

Authorised

	<u>2001</u> <u>Number</u>	<u>2000</u> <u>Number</u>
Ordinary Shares of 5 pence each	100,000	100,000

Issued and Fully Paid

	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Ordinary Shares of 5 pence each	5,000	5,000

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

3. Tangible Fixed Assets

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>2000 Net</u>
Alterations to Premises	8,179	6,407	1,772	1,968
Plant and Machinery	73,150	71,283	1,867	2,333
Furniture Fixtures and Fittings	42,346	36,362	5,984	6,349
Motor Vehicles	8,085	7,067	1,018	2,657
Computer Equipment	1,619	1,346	273	341
	<u>133,379</u>	<u>122,465</u>	<u>10,914</u>	<u>13,648</u>

Details of Cost

	<u>Opening</u>	<u>Additions</u>	<u>Disposals</u>	<u>Closing</u>
Alterations to Premises	8,179	-	-	8,179
Plant and Machinery	73,150	-	-	73,150
Furniture Fixtures and Fittings	42,046	300	-	42,346
Motor Vehicles	19,085	-	(11,000)	8,085
Computer Equipment	1,619	-	-	1,619
	<u>144,079</u>	<u>300</u>	<u>(11,000)</u>	<u>133,379</u>

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

	<u>2001</u>	<u>2000</u>
3. <u>Tangible Fixed Assets</u> (continued)		
Tangible Fixed Assets includes the following assets held under finance lease:-		
Furniture Fixtures and Fittings	2,210	2,210
<u>Less:</u> Accumulated Depreciation	1,754	1,704
	456	506
4. <u>Debtors</u>		
Trade Debtors	44,865	58,820
Prepayments and Accrued Income	7,372	7,473
	52,237	66,293
5. <u>Cash at Bank and in Hand</u>		
Bank Deposit Account	-	11,272
Bank Current Account	12,637	8,905
Cash in Hand	49	120
	12,686	20,297

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

	<u>2001</u>	<u>2000</u>
6. <u>Creditors - amounts falling due within one year</u>		
Trade Creditors	21,860	28,047
Current Corporation Tax	212	243
Other Taxes and Social Security Costs	2,405	3,886
Directors Loan Accounts	282	766
Accruals and Deferred Income	3,186	3,108
	<u>27,945</u>	<u>36,050</u>
7. <u>Provisions for Liabilities and Charges</u>		
A potential liability to deferred taxation exists at the date of the Balance Sheet in respect of:-		
Capital Allowances in advance:-		
Full potential liability	<u>1,498</u>	<u>1,788</u>
The Directors do not consider that the potential liability will crystallise in the foreseeable future, and consequently no provision has been made.		
8. <u>Interest Receivable</u>		
Bank Deposit Interest	<u>212</u>	<u>438</u>

STEVENAGE MACHINE TOOLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2001

	<u>2001</u>	<u>2000</u>
9. <u>Tax on Ordinary Activities</u>		
Corporation Tax is calculated at the rate of 10%:-		
On the profit for the year	212	243
10. <u>Operating Profit</u>		
The profit is stated after charging:-		
Directors Remuneration	-	285
Depreciation of Fixed Assets	1,714	2,199
Depreciation of Fixed Assets on Lease	50	56
Loss on Sale of Fixed Assets	1,270	-
11. <u>Reconciliation of Movements in Shareholders Funds</u>		
Profit (Loss) for the Year	(16,746)	(10,129)
Opening Shareholders Funds	74,508	84,637
Closing Shareholders Funds	57,762	74,508
12. <u>Capital Commitments</u>		
No capital expenditure was authorised or contracted for at the Balance Sheet date.		