Company No: 530321

Registrar
Of Companies

M C A (ASTON) LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2001



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COLLINS HART

CHARTERED ACCOUNTANTS

SUTTON COLDFIELD

M C A (ASTON) LIMITED

Company Information

Directors	P J Brown P A Brown
Secretary	P A Brown
Company number	530321
Registered office	40 Victoria Road Aston Birmingham B6 5HF
Accountants	Collins Hart Victoria House 437 Birmingham Road Wylde Green Sutton Coldfield West Midlands B72 1AX
Bankers	National Westminster Bank plc 371 Stratford Road Sparkhill Birmingham B11 4JY

M C A (ASTON) LIMITED

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Report of the Directors

The directors present their report and the financial statements for the year ended 31 December 2001.

Principal activity

The principal activity of the company is that of the manufacture and supply of motor cycle accessories.

Directors

The directors who served during the year and their beneficial interests in the issued ordinary share capital were as follows:

	Number of shares	
	31 December 2001	**31 December 2000**
Ordinary shares of £1 each		
P J Brown	100	100
P A Brown	100	100

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

This report was approved by the board on 22 March 2002.

On behalf of the board

P A Brown
Secretary

ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS TO THE DIRECTORS OF

MCA (ASTON) LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2001 set out on pages 3 to 11 and you consider that the company is exempt both from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Victoria House
437 Birmingham Road
Wylde Green
Sutton Coldfield
West Midlands
B72 1AX

Collins Hart
Chartered Accountants

Date: 22 March 2002

M C A (ASTON) LIMITED

Profit and Loss Account

For the year ended 31 December 2001

	Notes	2001 £	2000 £
Turnover	2	851,977	849,419
Cost of sales		533,180	513,949
Gross profit		318,797	335,470
Distribution costs		65,621	93,350
Administration expenses		192,218	204,310
		60,958	37,810
Other operating income	3	-	3,578
Operating profit	4	60,958	41,388
Other interest receivable and similar income		609	613
		61,567	42,001
Interest payable and similar charges		14,145	10,099
Profit on ordinary activities before taxation		47,422	31,902
Tax on profit on ordinary activities	5	9,136	9,378
Profit on ordinary activities after taxation		38,286	22,524
Dividends	6	16,000	16,000
Retained profit for the year	17	**22,286**	**6,524**

The notes on pages 5 to 11 form part of these financial statements.

M C A (ASTON) LIMITED

Balance sheet

As at 31 December 2001

	Notes	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	7		441,768		450,345
Current assets					
Stock	8	718,734		794,250	
Debtors	9	111,920		121,521	
Cash and bank and in hand		18,655		41,830	
		849,309		957,601	
Creditors: amounts falling due within one year	10	385,626		480,740	
Net current assets			463,683		476,861
Total assets less current liabilities			905,451		927,206
Creditors: amounts falling due after more than one year	11		88,393		134,196
			817,058		793,010
Provisions for liabilities and charges	14		2,355		593
			814,703		**792,417**
Capital and reserves					
Called up share capital	15		200		200
Revaluation reserve	16		79,231		79,231
Profit and loss account	17		735,272		712,986
Shareholder's funds			**814,703**		**792,417**

The directors are satisfied that the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection of section 249B.

The directors acknowledge their responsibilities for:

i ensuring that the company keeps accounting records which comply with section 221; and

ii preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 22 March 2002.

On behalf of the board

P J BROWN Director

The notes on pages 5 to 11 form part of these financial statements.

1 Accounting Policies

Accounting convention

These financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents work invoiced net of value added tax.

Tangible fixed assets

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

Plant and fixtures	-	10% pa reducing balance basis
Motor vehicles	-	25% pa reducing balance basis
Computer equipment	-	25% pa reducing balance basis
Tooling	-	33.3% pa straight line method

The directors have not depreciated freehold property since in their opinion the land value of the freehold property is not materially different from the present valuation. Provision will be made should any permanent diminution in value of the property occur; such provision being based on the prices prevailing at the time of acquisition or subsequent valuation.

Stocks

Stock and work in progress is valued at the lower of cost and net realisable value.

Cost represents materials, direct labour and appropriate production overheads.

Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences.

Provision is also made for long term 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.

Leased assets

Assets acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their expected useful lives. The interested element is charged to the profit and loss account on a straight line basis.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on an arising basis.

Pension costs

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

2 Turnover

The turnover was derived from the principal activity of the company of which 32% (2000 34%) related to exports.

3 Other operating income

	2001 £	2000 £
Accommodation and services charged to associated company	-	3,578

4 Operating profit

Is stated after charges for:		
Depreciation of tangible assets:		
owned	7,467	8,291
held under HP contracts	8,539	9,735
Loss on disposals of fixed assets	2,186	3,250
Director's emoluments being remuneration for management	12,472	12,236
Directors pension contributions	6,000	6,000
Hire of plant and machinery:		
operating leases	489	-

5 Taxation

Based on the profit for the year:		
UK corporation tax at small company rates	7,876	7,241
Adjustment in respect of a previous period	(502)	3,432
Deferred taxation at 20% (2000 20%)	1,663	(692)
Deferred tax overprovision in earlier years	99	(603)
	9,136	**9,378**

6 Dividends

Dividends paid	**16,000**	**16,000**

7 **Tangible fixed assets**

	Freehold property	Tooling	Plant, fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 31 December 2000	376,055	11,435	83,220	62,271	532,981
Additions	-	-	2,480	23,235	25,715
Disposals	-	-	-	(32,511)	(32,511)
At 31 December 2001	376,055	11,435	85,700	52,995	526,185
Depreciation					
At 31 December 2000	-	10,624	45,123	26,889	82,636
Charge for the year	-	811	5,114	10,081	16,006
Eliminated on disposals	-	-	-	(14,225)	(14,225)
At 31 December 2001	-	11,435	50,237	22,745	84,417
Net book value					
At 31 December 2001	**376,055**	**-**	**35,463**	**30,250**	**441,768**
At 31 December 2000	376,055	811	38,097	35,382	450,345

The net book value of tangible fixed assets includes £25,616 (2000 £28,991) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged in the year on those assets amounted to £8,539 (2000 £9,663).

The freehold property at 40-50 Victoria Road, Birmingham was revalued during the year ended 31 March 1990 on the basis of its open market value. The valuation was carried out by a member of the Royal Institution of Chartered Surveyors.

The net book value of the freehold property comprises:		2001	2000
		£	£
40-50 Victoria Road			
Cost		20,769	20,769
Surplus on revaluation	1990	79,231	79,231
Additions:	1996	11,884	11,884
	1998 (adjusted)	4,710	4,710
	1999	700	700
		117,294	117,294
38 Victoria Road			
Additions:	1994	34,300	34,300
Crown works - Baltimore Road		224,461	224,461
		376,055	**376,055**

8 Stocks

	2001 £	2000 £
Goods for resale	667,234	742,750
Work in progress	51,500	51,500
	718,734	**794,250**

9 Debtors

Trade debtors	90,889	94,284
Other debtors	17,526	22,289
Prepayments and accrued income	3,505	4,948
	111,920	**121,521**

10 Creditors: amounts falling due within one year

Bank overdraft	-	33,103
Obligations due under finance leases and hire purchase contracts (see note 11)	5,710	8,313
Trade creditors	75,430	79,168
Taxation and social security	10,666	8,819
Accruals and deferred income	7,968	19,654
Corporation tax	7,876	7,089
Other creditors	263,226	316,294
Bank loan (see note 13)	14,750	8,300
	385,626	**480,740**

The bank loan and overdraft are guaranteed by mortgages on the freehold properties of the company.

11	**Creditors:** amounts falling due after more than one year	**2001** £	**2000** £
	Obligations under finance leases and hire purchase contracts	16,644	17,496
	Bank loan (see note 13)	71,749	116,700
		88,393	**134,196**

12	**Obligations under finance leases and hire purchase contracts are due as follows:**		
	Within one year	5,710	8,313
	Within two to five years	16,644	17,496
		22,354	**25,809**

13	**Bank loan**		
	Falling due within one year	14,750	8,300
	Falling due in 2 -5 years	65,350	43,000
	Falling due after 5 years	6,399	73,700
		86,499	**125,000**

This was repayable over 10 years at a rate of 2½% over bank base rate. The mortgage is secured over the Crown Works property.

14 Deferred taxation

	2001 £	2000 £
Deferred taxation fully provided in the financial statements as follows:		
Accelerated capital allowances	**593**	**593**

15 Called up share capital

Authorised		
2,000 Ordinary shares of £1 each	**2,000**	**2,000**
Allotted, called up and fully paid		
200 Ordinary shares of £1 each	**200**	**200**

16 Revaluation reserve

At 31 December 2000 and 31 December 2001 arising on revaluation of property	**79,231**	**79,231**

17 Profit and loss account

At 31 December 2000	712,986	706,462
Profit for the year	22,286	6,524
At 31 December 2001	**735,272**	**712,986**

18 Contingent Liabilities

No provision has been included in the accounts for any potential capital gains tax that might be payable on the disposal of the property at its stated value.

A guarantee has been given in favour of National Westminster Bank Plc to secure monies due by Escadean Limited to a total £30,000 and interest. Escadean Limited is a company controlled by Mr P J Brown and Mrs P A Brown.

19 Pension costs

The company operates a defined contributions pension scheme. The pension charge to the profit and loss represents contributions payable by the company during the year and amounted to £ (2000 £8,400). At the year end £800 of contributions are unpaid and included as accruals.

20 Transactions involving directors

a Escadean Limited - a company controlled by Mr P J Brown and Mrs P A Brown

	£
Goods sold and services charged	17,881
Purchases of goods for resale	78,202
Balance outstanding at year end	17,012

b Positive Engineering - a firm in which Mrs P A Brown is a partner.

Purchases of goods for resale	67,073
Balance outstanding at year end	185,512

c Positive Engineering Ltd - a company controlled by Mr P J Brown and Mrs P A Brown

Balance outstanding at year end	3,437
No purchases or sales in the year	