

**SP MACBETH 5 LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2013**

Company Number: 08028721

**Jacob Cavenagh & Skeet
Chartered Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW**



SP MACBETH 5 LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2013

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SP MACBETH 5 LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2013

The directors submit their report and accounts for the period ended 31 March 2013

Results and dividends

The results for the year are shown on the group profit and loss account on page 5 and amounted to a profit after taxation of £619,306. The company's own profit for the period was £131,333. An interim dividend of £111,000 was paid during the period.

Review of the business and future developments

The group acts as distributors, dealers and wholesalers of bearings and other products to the engineering industry. It supplies a large number of independent traders and a strict collection policy is in place to ensure that the risk of bad debt is minimised. Despite the downturn in the economy the group continues to perform at a level acceptable to the directors. The market is extremely competitive and the group continues to develop and offer new products to its customer base.

Directors

The directors who served during the year were

P Cuthill (appointed 12 04 2012)
T Brain (appointed 12 04 2012)
T Hamlett (appointed 12 04 2012)

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period. In preparing these 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SP MACBETH 5 LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2013 (continued)

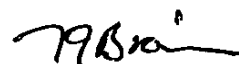
Disclosure of information to auditors

To the knowledge and belief of the directors, there is no relevant information that the auditors of the group and company are not aware of, and the directors have taken all the steps necessary to ensure the directors are aware of any relevant information, and to establish that the auditors of the group and company are aware of the information

Auditors

A resolution to reappoint Jacob Cavenagh & Skeet as auditors will be put to the members at the Annual General Meeting

BY ORDER OF THE BOARD



T Brain
Director

1 November 2013

SP MACBETH 5 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SP MACBETH 5 LIMITED

We have audited the financial statements of SP Macbeth 5 Limited for the period ended 31 March 2013 which are set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the members of the group and company, as a body, in accordance Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and company and their members as a body, for our audit work, for this report, or the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2013 and of the group's profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

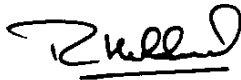
SP MACBETH 5 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SP MACBETH 5 LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Richard Haffenden MA(Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet,
Statutory Auditor and
Chartered Accountants

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date 25 November 2013

SP MACBETH 5 LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 2013**

	<i>Note</i>	<i>Period from 21.05.12 to 31.03 13 £</i>
Turnover	2	10,399,209
Cost of sales		(6,839,273)
Gross profit		3,559,936
Administrative expenses		(2,539,168)
Operating profit	3	1,020,768
Interest receivable		7
Interest payable and similar charges	6	(144,386)
Profit on ordinary activities before taxation		876,389
Taxation	7	(257,083)
Profit for the period		<u>619,306</u>

There were no recognised gains and losses other than as stated above

Turnover is wholly derived from continuing operations

SP MACBETH 5 LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2013**

	Note	2013	
		£	£
Fixed assets			
Intangible assets	8		1,491,731
Tangible assets	9		<u>132,182</u>
			1,623,913
Current assets			
Stocks	11	3,500,523	
Debtors	12	3,399,456	
Cash at bank and in hand		<u>240,788</u>	
		7,140,767	
Creditors Amounts falling due within one year	13	(5,658,546)	
Net current assets			<u>1,482,221</u>
Total assets less current liabilities			2,947,064
Creditors Amounts falling due after more than one year	14		(1,416,821)
Provisions for liabilities and charges	15		(<u>11,399</u>)
			<u>1,677,914</u>
Capital and reserves			
Called up equity share capital	16		1,018,934
Share premium account	18		150,674
Profit and loss account	18		<u>508,306</u>
Total shareholders' funds	19		<u>1,677,914</u>

Approved by the Board of Directors on 1 November 2013 and signed on its behalf



T Brain
Director

SP MACBETH 5 LIMITEDCOMPANY BALANCE SHEET
AS AT 31 MARCH 2013

Company Registration 08028721

			2013
	Note	£	£
Fixed assets			
Investments	10		5,234,245
Current assets			
Debtors	12	60,414	
Cash at bank and in hand		<u>3,235</u>	
		63,649	
Creditors Amounts falling due within one year	13	(2,691,132)	
Net current liabilities			(2,627,483)
Total assets less current liabilities			2,606,762
Creditors Amounts falling due after more than one year	14		(1,416,821)
			<u>1,189,941</u>
Capital and reserves			
Called up equity share capital	16		1,018,934
Share premium account	18		150,674
Profit and loss account	18		<u>20,333</u>
Total shareholders' funds	20		<u>1,189,941</u>

The exemption conferred by Section 408 of the Companies Act 2006 has been exercised such that the individual company profit and loss account has been omitted

Individual company profit for the year after taxation 131,333

Approved by the Board of Directors on 1 November 2013 and signed on its behalf



T Brain
Director

SP MACBETH 5 LIMITED**GROUP CASH FLOW STATEMENT
AS AT 31 MARCH 2013**

	Note	2013 £
Operating activities		
Net cash flow from operating activities	22a	391,781
Returns on investments and servicing of finance		
Interest and similar income received		7
Interest and similar charges paid		(89,565)
Net cash flow from returns on investments and servicing of finance		(89,558)
Taxation		
Corporation tax paid		(338,223)
Capital expenditure		
Payments to acquire tangible fixed assets		(16,956)
Payments to acquire investments		(3,959,745)
Net cash flow from investing activities		(3,976,701)
Equity dividends paid		(111,000)
Net cash flow before financing		(2,954,093)
Financing		
Increase in invoice financing		2,291,439
Increase in loan financing		790,411
Net cash flow from financing		3,081,850
Increase in cash	22c	<u>127,757</u>

SP MACBETH 5 LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2013

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with applicable accounting standards

Basis of preparation

Consolidation

The group financial statements consolidate the financial statements of the company and all its subsidiaries at 31 March 2013. No profit and loss account is presented for SP Macbeth 5 Limited as provided by section 408 of the Companies Act 2006

Intra-group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions only

Depreciation

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

Computer equipment	over 5 years	10%-20%	on a straight line basis
Leasehold improvements	over lease term of 7 years	14%	on a straight line basis
Fixtures and fittings	over 6 years	15%	on a straight line basis
Plant and machinery	at individual rates up to 33 3%	20%-33%	on a straight line basis

Stocks

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

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Foreign currency translation

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in the profit and loss account

SP MACBETH 5 LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2013 (continued)

1 ACCOUNTING POLICIES (continued)

Hire purchase and lease transactions

Assets acquired under hire purchase contracts are capitalised in the balance sheet and are depreciated in accordance with the company's normal policy. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest on such agreements is charged to the profit and loss account over the term of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

Rentals under operating leases are charged to the profit and loss account as they fall due.

Pension scheme arrangements

The group operates a defined contribution scheme on behalf of executive directors. Contributions are charged to the profit and loss account as they fall due. These contributions are invested separately from the group's assets.

2 TURNOVER

Turnover represents the invoiced amount of goods sold and services provided (stated net of value added tax).

3 OPERATING PROFIT

2013
£

This is stated after charging

Directors' remuneration	363,849
Staff costs	<u>1,347,764</u>
Total staff costs	1,711,613

Auditors' remuneration	audit	18,270
	other	1,200

Depreciation	63,096
Amortisation of goodwill	148,073
Operating leases – land and buildings	<u>157,335</u>

4 DIRECTORS' EMOLUMENTS

2013
£

Emoluments	391,244
Company contributions to money purchase pension schemes	<u>15,155</u>
	<u>406,399</u>

The remuneration of the highest paid director was

Emoluments	183,920
Company contributions to money purchase pension scheme	<u>12,500</u>
	<u>196,420</u>

There were 3 directors accruing benefits under company money purchase pension schemes.

SP MACBETH 5 LIMITED
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2013 (continued)

5 EMPLOYEE INFORMATION	2013 £
<i>Staff costs</i>	
Wages and salaries	1,333,319
Social security costs	132,132
Other pension costs	<u>17,622</u>
	<u>1,483,073</u>

The average number of persons employed during the year, including executive directors, was made up as follows

	2013 Number
Office and management	9
Sales and distribution	<u>38</u>
	<u>47</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES	2013 £
Loan interest	137,249
Finance cost amortisation	<u>25,231</u>
	<u>162,480</u>

7 TAXATION	2013 £
(a) Analysis of the charge in the period	
United Kingdom corporation tax charge at 24%	268,482
Deferred taxation movement	<u>(11,399)</u>
	<u>257,083</u>
(b) Factors affecting tax charge for the period	
Profit on ordinary activities before tax	<u>876,389</u>
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax of 24%	210,333
Effects of	
Expenses not deductible for tax	51,988
Capital allowances for period in excess of depreciation	7,120
Adjustment of effective rate of tax	<u>(959)</u>
Current tax charge for the year	<u>268,482</u>

SP MACBETH 5 LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2013 (continued)

8 INTANGIBLE FIXED ASSETS – THE GROUP

	<i>Total £</i>
Cost	
Additions	<u>1,657,479</u>
Amortisation	
Charge for the period	<u>165,748</u>
As at 31 March 2013	<u>165,748</u>
Net book value	
As at 31 March 2013	<u>1,491,731</u>

9 TANGIBLE FIXED ASSETS – THE GROUP

	<i>Short leasehold buildings £</i>	<i>Equipment Plant and and fittings £</i>	<i>Computer machinery £</i>	<i>equipment £</i>	<i>Total £</i>
Cost					
As at 12 April 2012	114,308	653,358	58,489	498,802	1,324,957
Additions	<u>9,362</u>	<u>610</u>	<u>1,186</u>	<u>5,800</u>	<u>16,958</u>
As at 31 March 2013	<u>123,670</u>	<u>653,968</u>	<u>59,675</u>	<u>504,602</u>	<u>1,341,915</u>
Depreciation					
As at 12 April 2012	83,061	604,474	57,650	401,452	1,146,637
Charge for the year	<u>12,624</u>	<u>32,448</u>	<u>644</u>	<u>17,380</u>	<u>63,096</u>
As at 31 March 2013	<u>95,685</u>	<u>636,922</u>	<u>58,294</u>	<u>418,832</u>	<u>1,209,733</u>
Net book value					
As at 31 March 2013	<u>27,985</u>	<u>17,046</u>	<u>1,381</u>	<u>85,770</u>	<u>132,182</u>
As at 12 April 2012	<u>31,247</u>	<u>48,884</u>	<u>839</u>	<u>97,350</u>	<u>178,320</u>

10 INVESTMENTS – THE COMPANY

	<i>2013 £</i>
Shares in subsidiary undertakings	<u>5,234,245</u>

The company owns the entire share capital of Godiva Bearings Limited, which owns the entire issued share capital of Godiva Bearing (Southern) Limited, Autosport Bearings and Components Limited, and Disc Springs and Components Limited (dormant)

The principal activity of the subsidiaries is to act as distributors, dealers and wholesalers of bearings and other products to the UK engineering industry

SP MACBETH 5 LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2013 (continued)

10 INVESTMENTS – THE COMPANY (continued)

The aggregate capital and reserves and the profit or loss for each subsidiary for the period ended 31 March 2013 was as follows

	Profit for the period £	Capital and reserves £	Interest in subsidiary %
Godiva Bearings Group Ltd	235,610	1,328,046	100
Godiva Bearings Ltd	-	12	100
Godiva Bearings (Southern) Ltd	640,216	6,363,538	100
Autosport Bearings & Components Ltd	380,633	1,028,020	100
Disc Springs & Components Ltd	-	100	100

11 STOCKS – THE GROUP

2013
£

Finished goods and goods for resale

3,500,523

12 DEBTORS

	<i>The Group</i> 2013 £	<i>The Company</i> 2013 £
Trade debtors	3,207,404	-
Other debtors	9,140	-
Prepayments and accrued income	182,912	60,414
	<u>3,399,456</u>	<u>60,414</u>

13 CREDITORS Amounts falling due within one year

	<i>The Group</i> 2013 £	<i>The Company</i> 2013 £
Amount due under invoice financing	2,291,439	-
Bank loans and overdrafts	702,911	702,911
Amounts owed to group undertakings	-	1,984,421
Trade creditors	1,932,277	-
Corporation tax	299,841	-
Other taxes and social security costs	124,920	-
Accruals	307,158	3,800
	<u>5,658,546</u>	<u>2,691,132</u>

The amounts due under invoice financing from the group is secured by a fixed and floating charge over the assets of the group

SP MACBETH 5 LIMITED

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2013 (continued)**

14 CREDITORS Amounts falling due after more than one year

	<i>The Group</i> 2013 £	<i>The Company</i> 2013 £
Bank loans	87,500	87,500
Deferred consideration	<u>1,329,321</u>	<u>1,329,321</u>
	<u>1,416,821</u>	<u>1,416,821</u>

15 PROVISION FOR LIABILITIES AND CHARGES

	2013 £
Accelerated capital allowances	<u>11,399</u>

16 SHARE CAPITAL – THE GROUP AND THE COMPANY

	2013 £
<i>Allotted, called up and fully paid</i>	
<i>Equity</i>	
Ordinary shares class A of £1 each	10,000
Ordinary shares class B of £1 each	<u>3</u>
	<u>10,003</u>
<i>Non-Equity</i>	
Preference shares of £1 each	<u>1,008,931</u>
	<u>1,018,934</u>

17 DIVIDENDS

On equity shares:	2013 £
Interim dividend in respect of the period ended 31 March 2013 of 11 1p per ordinary 'A' share	<u>111,000</u>

SP MACBETH 5 LIMITED

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2013 (continued)**

18 RESERVES

	<i>Profit and loss account £</i>	<i>Share premium account £</i>	<i>Total £</i>
THE GROUP			
Profit for the year	619,306	-	619,306
Premium on shares issued	-	150,674	150,674
Dividends paid	(111,000)	-	(111,000)
As at 31 March 2013	<u>508,306</u>	<u>150,674</u>	<u>658,980</u>
THE COMPANY			
Profit for the period	131,333	-	131,333
Premium on shares issued	-	150,674	150,674
Dividends paid	(111,000)	-	(111,000)
As at 31 March 2013	<u>20,333</u>	<u>150,674</u>	<u>171,007</u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS – THE GROUP

	2013 £
Profit for the year	619,306
Dividends paid	(111,000)
Shares issued	1,018,934
Premium on shares issued	<u>150,674</u>
Closing shareholders' funds	<u>1,677,914</u>

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS – THE COMPANY

	2013 £
Profit for the year	131,333
Dividends paid	(111,000)
Shares issued	1,018,934
Premium on shares issued	<u>150,674</u>
Closing shareholders' funds	<u>1,189,941</u>

21 RELATED PARTY TRANSACTIONS

	2013 £
Dividends were paid to the following directors	
T Hamlett	49,950
T Brain	38,850
P Cuthill	<u>22,200</u>

SP MACBETH 5 LIMITED

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2013 (continued)**

22 NOTES TO THE CASH FLOW STATEMENT

a) Reconciliation of operating profit to net cash flow operating activities

	2013 £
Operating profit	1,020,768
Depreciation charges	51,566
Amortisation of goodwill	165,748
Increase in stock	(923,299)
Increase in debtors	(513,850)
Increase in creditors	590,848
Net cash flow from operating activities	<u>391,781</u>

b) Analysis of change in net debt

	<i>Acquired</i>	<i>Cash flows</i>	<i>Other changes</i>	<i>Carried forward</i>
	£	£	£	£
Cash at bank and in hand	113,031	127,757	-	240,788
Debt due within one year	-	(2,994,350)	-	(2,994,350)
Debt due after more than one year	-	(87,500)	(1,329,321)	(1,416,821)
	<u>113,031</u>	<u>(2,954,093)</u>	<u>-</u>	<u>(4,170,383)</u>

c) Reconciliation of net cash flow to movement in net debt

	2013 £
Net increase in cash	127,757
Cash acquired with subsidiary	113,031
Increase in invoice and loan financing	(4,411,171)
Changes in net debt	(4,170,383)
Net debt at 31 March 2013	<u>(4,170,383)</u>

23 LEASING COMMITMENTS

The group's annual commitments for rental payments under non-cancellable operating leases at 31st March 2013 were as set out below

	2013	
	<i>Land and Buildings</i>	<i>Other</i>
	£	£
Operating leases which expire		
Within one year	-	4,810
Within two to five years	35,175	50,778
In more than five years	<u>122,160</u>	<u>-</u>

24 ULTIMATE CONTROLLING PARTY

The ultimate controlling parties of the group at the year end were Paul Cuthill, Tom Hamlett and Trevor Brain, the directors