

5/14

52939

J. HICKINSON & SON LTD.

FINANCIAL STATEMENTS

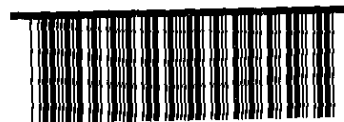
FOR

YEAR ENDED 31ST AUGUST, 2002.

HACKENZIE & CO.

CHARTERED ACCOUNTANTS

GLASGOW



SCT S8BYPHL0 0189
COMPANIES HOUSE 14/01/03

J. HICKINSON & SON LTD.

COMPANY INFORMATION

DIRECTORS

J. Hickinson

M. Hickinson

D. Hickinson

C. Morrow

SECRETARY

E. M. Stewart

COMPANY NUMBER

52,939

REGISTERED OFFICE

Hindsland Road,
Industrial Estate,
LARKHALL,
ML9 2PA.

AUDITORS

Mackenzie & Co.,
Chartered Accountants
and Registered Auditors
15, Carlaverock Road,
GLASGOW,
G43 2SA.

DIRECTORS' REPORT

The Directors present their Report and the Company's Financial Statements for the year ended 31st August, 2002.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to :

- [1] select suitable accounting policies and then apply them consistently ;
- [2] make judgements and estimates that are reasonable and prudent ;
- [3] prepare the 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 and detection of fraud and other irregularities.

ACTIVITIES

The Company's principal activity continues to be that of precision engineers.

DIRECTORS

The Directors who served during the year and their beneficial interests in the Company's issued Share Capital were :

	31/8/02	31/8/01
	-----	-----
J. Hickinson	3,900	3,900
M. Hickinson	2,500	2,500
D. Hickinson	3,100	3,100
C. Morrow	500	500

AUDITORS

The Auditors, Mackenzie & Co., will be proposed for re-appointment in accordance with Section 385, Companies Act 1985.

SMALL COMPANY RULES

These accounts 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.

This Report was approved by the Board on 4th November, 2002 and signed on its behalf

D. HICKINSON

Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF J. HICKINSON & SON LTD.

We have audited the financial statements of J. Hickinson & Son Ltd. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out in the notes.

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Standards are set out in the Statement of Directors' Responsibilities in the Directors' Report.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

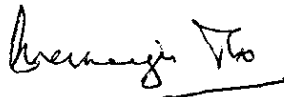
Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st August, 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MACKENZIE & CO.,
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS,
15 CARLAVEROCK ROAD,
GLASGOW.

4th November, 2002.

J. HICKINSON & SON LTD.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31ST AUGUST, 2002.

	NOTE:	£	2001
Turnover	1 & 3	907,353	1,018,784
Cost of Sales		709,300	786,912
		-----	-----
GROSS PROFIT		198,053	231,872
Admin & Distribution Expenses		224,838	243,100
		-----	-----
OPERATING PROFIT	2	(26,785)	(11,228)
Interest Received		4	80
		-----	-----
		(26,781)	(11,148)
Interest Payable		11,345	11,302
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		(38,126)	(22,450)
Corporation Tax	4	8,907	-
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		(47,033)	(22,450)
Retained Profit B/forward		346,396	368,846
		-----	-----
RETAINED PROFIT CARRIED FORWARD		299,363	346,396
		=====	=====

J. HICKINSON & SON LTD.

BALANCE SHEET AS AT 31ST AUGUST, 2002.

	Note:	£	£	£	2001
TANGIBLE FIXED ASSETS	8			295,831	295,463
CURRENT ASSETS					
Stock & Work in Progress	1	44,208			54,218
Trade Debtors		263,449			261,571

			307,657		315,789
					
CREDITORS: Amounts due within one year					
Current hire purchase		36,903			30,974
Bank Overdraft	6	111,121			68,794
Trade Creditors		49,035			51,348
Current Corporation Tax		-			-
Taxes and Social Security		40,211			46,362
Accrued Charges		4,231			11,980
Directors' Loans	6	560			1,170

			242,061		210,628
					
NET CURRENT ASSETS				65,596	105,161
				-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES				361,427	400,624
CREDITORS: Amounts due after more than one year					
Hire purchase creditors				43,157	44,228
				-----	-----
				318,270	356,396
PROVISION FOR LIABILITIES AND CHARGES					
Deferred Taxation				8,907	-
				-----	-----
NET ASSETS				309,363	356,396
				=====	=====
CAPITAL AND RESERVES					
Called Up Share Capital	5			10,000	10,000
Profit and Loss Account				299,363	346,396
				-----	-----
SHAREHOLDERS' FUNDS				309,363	356,396
				=====	=====

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 4th November, 2002 and signed on its behalf.

D. HICKINSON

Director




NOTES TO THE FINANCIAL STATEMENTS

(1) ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June, 2002).

(b) TURNOVER

Turnover comprises the invoiced value of goods and services sold, net of V.A.T., as adjusted by the increase / decrease in work-in-progress.

(c) TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to reduce each asset to its estimated residual value at the end of its expected useful life. The principal rates used are -

Plant	- 15% reducing balance method,
Vehicles	- 25% reducing balance method,
Property	- 2% straight line method,
Computer	- 20% straight line method.

(d) STOCK AND WORK-IN-PROGRESS

Stock and Work-in-Progress is valued on the basis of lower of cost or net realisable value.

(e) HIRE PURCHASE

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets and are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocable to future periods.

(f) PENSION SCHEME

The Pension contributions are to a defined contributions scheme. The charge is the amount of the contributions paid.

(g) DEFERRED TAXATION

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

(2) OPERATING PROFIT £ 2001

The operating profit is stated after charging -

Directors' Remuneration	76,585	108,869
Pension Scheme	3,594	3,492
Audit Fee	2,850	2,850
Depreciation	41,253	43,565
Loss on Sale of Assets	3,869	11,427

During the year benefits were accruing to 2 Directors (2001 - 2) in respect of money purchase pension schemes.

(3) TURNOVER

Sales	917,363	993,315
Increase in Work in Progress	(10,010)	25,469
	-----	-----
	907,353	1,018,784
	=====	=====

(4) TAX ON PROFIT ON ORDINARY ACTIVITIES

Corporation Tax provided on profit		
of year	-	-
Under/(Over) provision in previous year	-	-
Transfer to/(from) deferred taxation	8,907	-
	-----	----
	8,907	-
	=====	==

(5) SHARE CAPITAL

Authorised and Issued - 10,000 Ordinary Shares of £1 each, fully paid.
The controlling parties are any two of J. Hickinson, M. Hickinson and D. Hickinson.

(6) SECURITY FOR LOANS

Any bank overdraft is secured by a floating charge over all assets and by a standard security over the heritable property.
Directors' loans have no fixed date for repayment and are interest free.

(7) TANGIBLE FIXED ASSETS £ 2001

Included are assets subject to hire purchase contracts -

Plant & Machinery	-	95,677	74,097
Motor Vehicles	-	40,600	42,416