



NEWTON FRICTION LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
30th JUNE 2006

WILDS LIMITED
Chartered Accountants
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COMPANIES HOUSE

NEWTON FRICTION LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30th JUNE 2006

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NEWTON FRICTION LIMITED

ABBREVIATED BALANCE SHEET

30th JUNE 2006

	Note	2006 £	2005 £
FIXED ASSETS	2		
Tangible assets		1,018	1,273
CURRENT ASSETS			
Stocks		9,000	7,500
Debtors		82,079	45,096
Cash at bank and in hand		6,867	34,649
		97,946	87,245
CREDITORS: Amounts falling due within one year		19,340	20,585
NET CURRENT ASSETS		78,606	66,660
TOTAL ASSETS LESS CURRENT LIABILITIES		79,624	67,933
CAPITAL AND RESERVES			
Called up equity share capital	3	10	10
Profit and loss account		79,614	67,923
SHAREHOLDERS' FUNDS		79,624	67,933

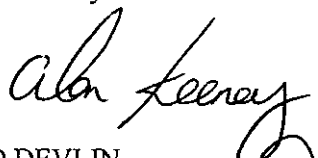
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as 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 the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 24th January 2007 and are signed on their behalf by


MR D DEVLIN
Director

The notes on pages 2 to 3 form part of these abbreviated accounts

NEWTON FRICTION LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30th JUNE 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

FRS 21 'Events after the Balance Sheet date (IAS 10)'

Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods and services provided during the year, exclusive of Value Added Tax

In respect of long term contracts and contracts for on going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on going services is recognised by reference to the stage of completion

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	20% reducing balance
Fixtures & Fittings	20% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred taxation

Provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date at the rate that would apply when timing differences are expected to reverse

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

NEWTON FRICTION LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30th JUNE 2006

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st July 2005 and 30th June 2006	<u>26,124</u>
DEPRECIATION	
At 1st July 2005	24,851
Charge for year	<u>255</u>
At 30th June 2006	<u>25,106</u>
NET BOOK VALUE	
At 30th June 2006	<u>1,018</u>
At 30th June 2005	<u>1,273</u>

3 SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100 Ordinary shares of £1 each	100	100
100 Ordinary 'A' shares of £1 each	<u>100</u>	<u>100</u>
	<u>200</u>	<u>200</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	5	5	5	5
Ordinary 'A' shares of £1 each	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>

4 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Friction Components and Systems Limited a company registered in England.