Company Registration No. 080731

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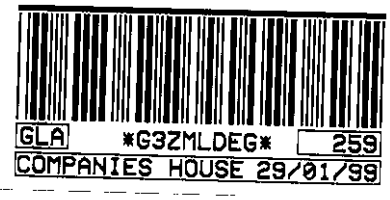

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Abbreviated accounts for
the year ended 30 November 1997

# Steering Rack Services Limited







# Steering Rack Services Limited

## Auditors' Report to Steering Rack Services Limited Pursuant to section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of the company for the year ended 30 November 1997 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

### Other information

On 29 January 1999 we reported, as auditors of Steering Rack Services Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 November 1997, and our report included the following paragraph:

"We have audited the financial statements on pages 4 to 11 which have been prepared following the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

# Auditors' Report to Steering Rack Services Limited Pursuant to section 247B of the Companies Act 1985

## Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.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. However, the evidence available to us was limited because we were appointed auditors on 28 May 1998 and in consequence we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of stock, appearing in the balance sheet at £152,199. Any adjustment to this figure would have a consequential significant effect on the profit for the year. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion: disclaimer on view given by financial statements

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 30 November 1997 or of its profit for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In respect alone of the limitation on our audit work relating to stock:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained. "



MAZARS NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors
Glasgow
29 January 1999

# Steering Rack Services Limited

## Abbreviated balance sheet as at 30 November 1997

| | Notes | 1997 £ | 1997 £ | 1996 £ | 1996 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 3 | | 50,245 | | 61,445 |
| **Current assets** | | | | | |
| Stocks | | 152,199 | | 148,344 | |
| Debtors | | 199,960 | | 212,319 | |
| Cash at bank and in hand | | 3,000 | | 2,000 | |
| | | 355,159 | | 362,663 | |
| **Creditors: amounts falling due within one year** | | (324,052) | | (366,360) | |
| **Net current assets/(liabilities)** | | | 31,107 | | (3,697) |
| **Total assets less current liabilities** | | | 81,352 | | 57,748 |
| **Creditors: amounts falling due after more than one year** | | | (11,317) | | (18,271) |
| | | | 70,035 | | 39,477 |
| **Capital and reserves** | | | | | |
| Called up share capital | 4 | | 100 | | 100 |
| Profit and loss account | | | 69,935 | | 39,377 |
| **Shareholders' funds** | | | 70,035 | | 39,477 |

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

The financial statements were approved by the board on 29 January 1999

P McKenna
**Director**

# Notes to the abbreviated accounts
# For the year ended 30 November 1997

## 1 Accounting policies

### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

### 1.2 Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods to customers.

### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|---|---|
| Plant and machinery | 15% p.a. straight line |
| Motor vehicles | 25% p.a. reducing balance |

### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account on a straight line basis over the term of the contract.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 1.5 Stock

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

### 1.6 Pensions

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

### 1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

# Notes to the abbreviated accounts
# For the year ended 30 November 1997

## 2 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

| | Amount outstanding 1997 £ | 1996 £ | Maximum in year £ |
|---|---|---|---|
| Director's current account - Mrs M McKenna | 11,129 | 11,129 | 11,129 |

## 3 Fixed assets

| | Total £ |
|---|---|
| **Cost** | |
| At 1 December 1996 | 126,125 |
| Additions | 27,758 |
| Disposals | (54,018) |
| At 30 November 1997 | 99,865 |
| **Depreciation** | |
| At 1 December 1996 | 64,680 |
| On disposals | (32,260) |
| Charge for the year | 17,200 |
| At 30 November 1997 | 49,620 |
| **Net book value** | |
| At 30 November 1997 | 50,245 |
| At 30 November 1996 | 61,445 |

## 4 Share capital

| | 1997 £ | 1996 £ |
|---|---|---|
| **Authorised** | | |
| 100 Ordinary Shares of £1 each | 100 | 100 |
| **Allotted, called up and fully paid** | | |
| 100 Ordinary Shares of £1 each | 100 | 100 |