

Company number : 2852052

WINKWORTH MACHINERY LIMITED
ABBREVIATED FINANCIAL STATEMENTS

27 MAY 2001



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01/02/02

Baker Tilly
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

DIRECTORS AND OFFICERS

DIRECTORS

J F Winkworth (Chairman and Joint Managing Director)

P E Winkworth (Joint Managing Director)

P L Winkworth

SECRETARY

P E Winkworth

REGISTERED OFFICE

Willow Tree Works

Swallowfield Street

Swallowfield

Berkshire RG7 1QX

AUDITORS

Baker Tilly

Chartered Accountants

The Clock House

140 London Road

Guildford

Surrey GU1 1UW

DIRECTORS' REPORT

The directors submit their report and the financial statements of Winkworth Machinery Limited for the year ended 27 May 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the manufacture of mixing machinery and merchanting of used machinery.

REVIEW OF THE BUSINESS

The results for the year were satisfactory and the company is well placed to take advantage of future developments.

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £40,758. Dividend of £10,000 has been paid leaving a balance of £30,758 to be transferred to the Profit and Loss Account.

DIRECTORS

The following directors have held office since 28 May 2000:-

J F Winkworth
P E Winkworth
P L Winkworth

DIRECTORS' INTERESTS

All the directors are directors of Winkworth Holdings Limited and their interests in the shareholding of that company are shown in its accounts.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board



P E WINKWORTH

Secretary

30 November 2001

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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.

AUDITORS' REPORT TO WINKWORTH MACHINERY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 12 together with the financial statements of the company for the period ended 27 May 2001 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 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246A(3) 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 section 246A(3) of the Companies Act 1985 and the abbreviated accounts on pages 5 to 12 are properly prepared in accordance with those provisions.



BAKER TILLY
Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

30 November 2001

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 27 May 2001

	Notes	2001	2000
GROSS PROFIT		1,803,806	1,537,624
Other operating expenses (net)	1	1,750,650	1,536,746
OPERATING PROFIT		<u>53,156</u>	<u>878</u>
Interest receivable		7,069	5,952
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>60,225</u>	<u>6,830</u>
Taxation	4	19,467	3,493
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>40,758</u>	<u>3,337</u>
Dividends	5	10,000	-
RETAINED PROFIT FOR THE YEAR	13	<u>£ 30,758</u>	<u>£ 3,337</u>

The operating profit for the year arises from the company's continuing operations.

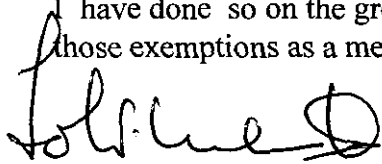
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

ABBREVIATED BALANCE SHEET
27 May 2001

	Notes	2001	2000
FIXED ASSETS			
Tangible assets	6	353,937	461,844
CURRENT ASSETS			
Stocks	7	515,904	647,351
Debtors	8	817,889	447,111
Cash at bank and in hand		87,902	232,094
		<u>1,421,695</u>	<u>1,326,556</u>
CREDITORS			
Amounts falling due within one year	9	1,426,729	1,461,732
NET CURRENT LIABILITIES			
		<u>(5,034)</u>	<u>(135,176)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>£ 348,903</u>	<u>£ 326,668</u>
CREDITORS			
Amounts falling due after more than one year	10	250,000	250,000
PROVISIONS FOR LIABILITIES AND CHARGES			
	11	11,171	19,694
CAPITAL AND RESERVES			
Called up equity share capital	12	50,000	50,000
Profit and loss account	13	37,732	6,974
		<u>£ 348,903</u>	<u>£ 326,668</u>

In preparing these abbreviated financial statements.

- a) I have relied upon the exemptions for individual accounts under sections 246A - 247 Companies Act 1985;
- b) I have done so on the grounds that the company is entitled to the benefits of those exemptions as a medium sized company.



..... J F Winkworth - Director

30 November 2001

Abbreviated financial statements for the year ended 27 May 2001**ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Plant and machinery	over 3 to 8 years
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STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

PENSIONS

The company operates a pension scheme for certain employees providing benefits based on contributions. The assets are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund..

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2001

	2001	2000
1. OTHER OPERATING EXPENSES (NET)		
Distribution costs	619,573	566,362
Administration expenses	1,133,806	971,383
Other operating income	(2,729)	(999)
	<u>£ 1,750,650</u>	<u>£ 1,536,746</u>
2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	151,395	154,848
Profit on disposal of fixed assets	(2,729)	(999)
Exchange (gain)/loss	392	(2,593)
Auditors' remuneration	11,050	10,000
	<u>151,395</u>	<u>154,848</u>
3. EMPLOYEES		
The average weekly number of persons (including directors) employed by the company during the year was:	No.	No.
Office and management	14	15
Manufacturing	27	27
Selling	6	5
	<u>47</u>	<u>47</u>
Staff costs for the above persons:		
Wages and salaries	1,087,301	981,253
Social security costs	111,164	100,816
Other pension costs	34,963	40,250
	<u>£ 1,233,428</u>	<u>£ 1,122,319</u>

DIRECTORS' REMUNERATION

The directors' are wholly remunerated from the holding company, Winkworth Holdings Limited.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2001

	2001	2000
4. TAXATION		
UK Corporation tax	28,367	10,500
Deferred taxation	(8,523)	(7,584)
Over/(under) provision in prior year	(377)	577
	<u>£ 19,467</u>	<u>£ 3,493</u>
5. DIVIDENDS		
Interim paid	<u>£ 10,000</u>	<u>£ -</u>
6. TANGIBLE FIXED ASSETS		
	Plant and equipment	
Cost:		
28 May 2000	1,363,225	
Additions	58,459	
Disposals	(49,945)	
27 May 2001	<u>1,371,739</u>	
Depreciation:		
28 May 2000	901,381	
Charge in the year	151,395	
Disposals	(34,974)	
27 May 2001	<u>1,017,802</u>	
Net book value:		
27 May 2001	<u>£ 353,937</u>	
27 May 2000	<u>£ 461,844</u>	

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2001

	2001	2000
7. STOCKS		
Raw materials and consumables	120,375	97,351
Work in progress	65,035	197,137
Finished goods and goods for resale	330,494	352,863
	<u>£ 515,904</u>	<u>£ 647,351</u>
8. DEBTORS		
Trade debtors	768,303	426,036
Other debtors	8,676	2,825
Prepayments and accrued income	40,910	18,250
	<u>£ 817,889</u>	<u>£ 447,111</u>
9. CREDITORS		
Amounts falling due within one year:		
Payments received on account	166,486	303,476
Trade creditors	406,114	373,926
Due to parent company	649,748	625,005
Corporation tax	28,367	10,500
Other taxation and social security costs	84,437	78,558
Other creditors	11,912	21,041
Accruals	79,665	49,226
	<u>£ 1,426,729</u>	<u>£ 1,461,732</u>
10. CREDITORS		
Amounts falling due in more than one year:		
Parent company loan	<u>£ 250,000</u>	<u>£ 250,000</u>

The loan is repayable with one year's notice and is interest free.

The loan due to the parent company and inter company indebtedness shown in creditors above are secured by a debenture over the assets of the company.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2001

11. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation
Balance at 28 May 2000	19,694
Transfer - profit and loss	(8,523)
Balance at 27 May 2001	<u>£ 11,171</u>

12. EQUITY SHARE CAPITAL

	2001	2000
Authorised:		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000
	<u> </u>	<u> </u>
Allotted, issued and fully paid:		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000
	<u> </u>	<u> </u>

13. PROFIT AND LOSS ACCOUNT

28 May 2000	6,974	3,637
Profit for the year	30,758	3,337
27 May 2001	<u>£ 37,732</u>	<u>£ 6,974</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2001

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
Profit for the financial year	40,758	3,337
Dividends	(10,000)	-
	<u>30,758</u>	<u>3,337</u>
Net addition to shareholders' funds	30,758	3,337
Opening shareholders' funds	56,974	53,637
	<u>£ 87,732</u>	<u>£ 56,974</u>

15. RELATED PARTY TRANSACTIONS

The company is wholly controlled by its ultimate parent company Winkworth Holdings Limited which is incorporated in England.

The directors are the directors and shareholders of Winkworth Holdings Limited and Mixer Hire Limited. Mixer Hire Limited hired computers and equipment to the company for £Nil (2000:£120) and the company provided management, storage and administration services of £141,914 (2000:£157,034). It also made sales of machinery to Mixer Hire Limited of £80,648 (2000: £20,999) Winkworth Holdings Limited provided management and administration services of £734,846 (2000:£611,545).

The above transactions were at normal commercial prices.