

Company number : 2852052

WINKWORTH MACHINERY LIMITED
ABBREVIATED FINANCIAL STATEMENTS

27 MAY 1997

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)

Mrs R M L Winkworth

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 1997.

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 company continues to trade profitably and is well placed to take advantage of future developments.

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £61,857. An interim dividend totalling £61,000 was declared leaving a profit of £857 to be transferred to profit and loss account .

DIRECTORS

The following directors have held office since 28 May 1996:-

Mrs R M L Winkworth
J F Winkworth
P E Winkworth
P L Winkworth

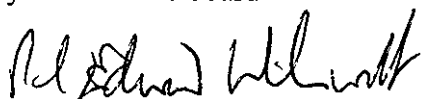
DIRECTORS' INTERESTS

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

28 November 1997

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

We have examined the abbreviated accounts on pages 4 to 10 together with the financial statements of the company for the period ended 27 May 1997 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

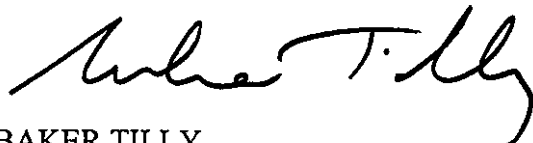
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246A(3) of the Act 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 4 to 10 are properly prepared in accordance with those provisions..



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

28 November 1997

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 27 May 1997

	Notes		1997
GROSS PROFIT		1,813,917	1,732,325
Other operating expenses (net)	1	1,742,773	1,658,198
OPERATING PROFIT		<u>71,144</u>	<u>74,127</u>
Interest receivable		11,436	5,152
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>82,580</u>	<u>79,279</u>
Taxation	4	20,723	21,075
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>61,857</u>	<u>58,204</u>
Dividends	5	61,000	57,000
RETAINED PROFIT FOR THE YEAR	13	<u>£ 857</u>	<u>£ 1,204</u>

BALANCE SHEET

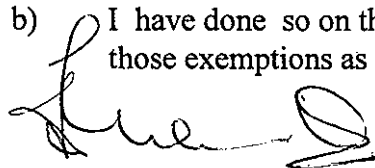
27 May 1997

	Notes	1997	1996
FIXED ASSETS			
Tangible assets	6	377,307	393,234
CURRENT ASSETS			
Stocks	7	570,918	553,865
Debtors	8	641,044	531,988
Cash at bank and in hand		304,034	171,314
		<u>1,515,996</u>	<u>1,257,167</u>
CREDITORS			
Amounts falling due within one year	9	1,578,433	1,329,259
NET CURRENT LIABILITIES			
		<u>(62,437)</u>	<u>(72,092)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		314,870	321,142
CREDITORS			
Amounts falling due after more than one year	10	(250,000)	(250,000)
PROVISIONS FOR LIABILITIES AND CHARGES			
	11	(11,422)	(18,551)
		<u>£ 53,448</u>	<u>£ 52,591</u>
CAPITAL AND RESERVES			
Called up equity share capital	12	50,000	50,000
Profit and loss account	13	3,448	2,591
		<u>£ 53,448</u>	<u>£ 52,591</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

28 November 1997

Abbreviated financial statements for the year ended 27 May 1997

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 1997

	1997	1996
1. OTHER OPERATING EXPENSES (NET)		
Distribution costs	521,771	449,974
Administration expenses	1,223,659	1,215,710
Other operating income	(2,657)	(7,486)
	<u>£ 1,742,773</u>	<u>£ 1,658,198</u>
2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	118,027	114,619
Auditors' remuneration	8,500	8,000
	<u>126,527</u>	<u>122,619</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	32	33
Selling	6	6
	<u>52</u>	<u>54</u>
Staff costs for the above persons:		
Wages and salaries	922,810	925,793
Social security costs	93,495	95,205
Other pension costs	32,917	25,464
	<u>£ 1,049,222</u>	<u>£ 1,046,462</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 1997

	1997	1996
4. TAXATION		
UK Corporation tax at 24.71% (1996 - 24.5%)	27,553	24,400
Deferred taxation	(7,129)	(2,354)
Over provision in prior year	299	(971)
	<u>£ 20,723</u>	<u>£ 21,075</u>
5. DIVIDENDS		
Proposed ordinary:	<u>£ 61,000</u>	<u>£ 57,000</u>
6. TANGIBLE FIXED ASSETS		
	Plant and equipment	
Cost:		
28 May 1996	1,001,675	
Additions	124,412	
Disposals	(61,865)	
27 May 1997	<u>1,064,222</u>	
Depreciation:		
28 May 1996	608,441	
Charge in the year	118,027	
Disposals	(39,553)	
27 May 1997	<u>686,915</u>	
Net book value:		
27 May 1997	<u>£ 377,307</u>	
27 May 1996	<u>£ 393,234</u>	

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 1997

	1997	1996
7. STOCKS		
Raw materials and consumables	122,300	101,126
Work in progress	80,919	47,403
Finished goods and goods for resale	367,699	405,336
	<u>£ 570,918</u>	<u>£ 553,865</u>
8. DEBTORS		
Trade debtors	567,031	472,559
Other debtors	57,950	35,347
Prepayments and accrued income	16,063	24,082
	<u>£ 641,044</u>	<u>£ 531,988</u>
9. CREDITORS		
Amounts falling due within one year:		
Payments received on account	198,657	335,064
Trade creditors	361,038	218,889
Due to parent company	755,408	529,458
Corporation tax	21,413	24,400
Other taxation and social security costs	53,040	101,061
Other creditors	55,936	58,068
Accruals	71,941	62,319
Proposed dividend	61,000	-
	<u>£ 1,578,433</u>	<u>£ 1,329,259</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 1997

11. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation
Balance at 28 May 1996	18,551
Transfer - profit and loss	(7,129)
Balance at 27 May 1997	<u>£ 11,422</u>

	1997	1996
12. EQUITY SHARE CAPITAL		
Authorised:		
50,000 ordinary shares of £1 each	<u>£ 50,000</u>	<u>£ 50,000</u>
Allotted, issued and fully paid:		
50,000 ordinary shares of £1 each	<u>£ 50,000</u>	<u>£ 50,000</u>

13. PROFIT AND LOSS ACCOUNT

28 May 1996	2,591	1,387
Profit for the year	857	1,204
27 May 1997	<u>£ 3,448</u>	<u>£ 2,591</u>

14. 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 £9,711 (1996:£14,257) and the company provided management, storage and administration services of £156,446 (1996:£128,940). Winkworth Holdings Limited provided management and administration services of £847,631 (1996:£819,435).

The above transactions were at normal commercial prices.