

Company number : 2852052

RE-SCAN

WINKWORTH MACHINERY LIMITED
ABBREVIATED FINANCIAL STATEMENTS

27 MAY 2002

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



18-12-02

285

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 2002.

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 £50,378. Dividend of £50,000 has been paid leaving a balance of £378 to be transferred to the profit and loss account.

DIRECTORS

The following directors have held office since 28 May 2001:-

J F Winkworth
P E Winkworth
P L Winkworth

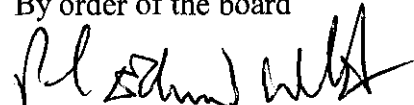
DIRECTORS' INTERESTS

All the directors are directors of Winkworth Holdings Limited, "The Parent Company" 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

29 November 2002

**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
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 5 to 13 together with the financial statements of the company for the year ended 27 May 2002 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

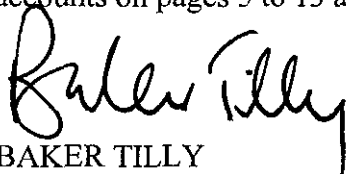
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) of 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 your.

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 13 are properly prepared in accordance with that provision.



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

29 November 2002

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 27 May 2002

	Notes	2002	2001
GROSS PROFIT		1,653,020	1,803,806
Other operating expenses (net)	1	1,586,097	1,750,650
OPERATING PROFIT		<u>66,923</u>	<u>53,156</u>
Interest receivable		2,600	7,069
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>69,523</u>	<u>60,225</u>
Taxation	4	19,145	19,467
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>50,378</u>	<u>40,758</u>
Dividends	5	50,000	10,000
RETAINED PROFIT FOR THE YEAR	13	<u>£ 378</u>	<u>£ 30,758</u>

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

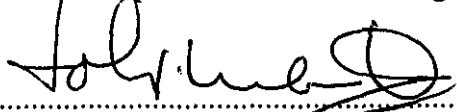
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

ABBREVIATED BALANCE SHEET

27 May 2002

	Notes	2002	2001
FIXED ASSETS			
Tangible assets	6	319,628	353,937
CURRENT ASSETS			
Stocks	7	482,020	515,904
Debtors	8	988,106	817,889
Cash at bank and in hand		108,620	87,902
		<u>1,578,746</u>	<u>1,421,695</u>
CREDITORS			
Amounts falling due within one year	9	1,551,834	1,426,729
NET CURRENT ASSETS/(LIABILITIES)			
		<u>26,912</u>	<u>(5,034)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>£ 346,540</u>	<u>£ 348,903</u>
CREDITORS			
Amounts falling due after more than one year	10	250,000	250,000
PROVISIONS FOR LIABILITIES AND CHARGES			
	11	8,430	11,171
CAPITAL AND RESERVES			
Called up equity share capital	12	50,000	50,000
Profit and loss account	13	38,110	37,732
		<u>£ 346,540</u>	<u>£ 348,903</u>

These accounts have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to medium sized companies.


 J F Winkworth - Director

29 November 2002

Abbreviated financial statements for the year ended 27 May 2002**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

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future that have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

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..

Abbreviated financial statements for the year ended 27 May 2002

ACCOUNTING POLICIES

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 2002

	2002	2001
1. OTHER OPERATING EXPENSES (NET)		
Distribution costs	637,546	619,573
Administration expenses	956,785	1,133,806
Other operating income	(8,234)	(2,729)
	<u>£ 1,586,097</u>	<u>£ 1,750,650</u>
2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	121,776	151,395
Profit on disposal of fixed assets	(8,234)	(2,729)
Exchange (gain)/loss	(3,540)	392
Auditors' remuneration	11,795	11,050
	<u>=====</u>	<u>=====</u>
3. EMPLOYEES		
The average weekly number of persons (including directors) employed by the company during the year was:	No.	No.
Office and management	12	14
Manufacturing	26	27
Selling	7	6
	<u>45</u>	<u>47</u>
	<u>=====</u>	<u>=====</u>
Staff costs for the above persons:		
Wages and salaries	1,093,386	1,087,301
Social security costs	105,469	111,164
Other pension costs	36,956	34,963
	<u>£ 1,235,811</u>	<u>£ 1,233,428</u>
	<u>=====</u>	<u>=====</u>

DIRECTORS' REMUNERATION

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

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2002

4. TAXATION	2002	2001
Current tax:		
UK corporation tax on profits of year	21,886	28,367
Adjustments in respect of previous periods	-	(377)
Total current tax	<u>21,886</u>	<u>27,990</u>
Deferred tax:		
Deferred tax credit in current year	(2,741)	(8,523)
Tax on profit on ordinary activities	<u>£ 19,145</u>	<u>£ 19,467</u>
Factors affecting tax charge for the year		
The tax assessed for the year is higher than the standard rate of corporation tax for small companies (20%) as explained below:		
Profit on ordinary activities before tax	69,523	60,225
Profit on ordinary activities multiplied by the standard rate of corporation tax for small companies (20%)	13,905	12,045
Effects of:		
Expenses not deductible for tax purposes	1,800	1,506
Capital allowances less than depreciation	2,741	8,522
Adjustment to tax charge in respect of previous period	-	(377)
Effect of marginal rate	3,440	6,294
Current tax charge for the year	<u>£ 21,886</u>	<u>£ 27,990</u>
5. DIVIDENDS		
Interim paid	<u>£ 50,000</u>	<u>£ 10,000</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2002

6. TANGIBLE FIXED ASSETS

	Plant and equipment
Cost:	
28 May 2001	1,371,739
Additions	88,233
Disposals	(59,015)
27 May 2002	<u>1,400,957</u>
Depreciation:	
28 May 2001	1,017,802
Charge in the year	121,776
Disposals	(58,249)
27 May 2002	<u>1,081,329</u>
Net book value:	
27 May 2002	<u>319,628</u>
27 May 2001	<u>£ 353,937</u>

2002

2001

7. STOCKS

Raw materials and consumables	98,994	120,375
Work in progress	69,665	65,035
Finished goods and goods for resale	313,361	330,494
	<u>£ 482,020</u>	<u>£ 515,904</u>

8. DEBTORS

Trade debtors	946,710	768,303
Other debtors	9,787	8,676
Prepayments and accrued income	31,609	40,910
	<u>£ 988,106</u>	<u>£ 817,889</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2002

	2002	2001
9. CREDITORS		
Amounts falling due within one year:		
Payments received on account	331,511	166,486
Trade creditors	334,615	406,114
Due to parent company	600,447	649,748
Corporation tax	21,886	28,367
Other taxation and social security costs	117,183	84,437
Other creditors	25,836	11,912
Accruals	120,356	79,665
	<u>£ 1,551,834</u>	<u>£ 1,426,729</u>

10. CREDITORS

Amounts falling due in more than one year:		
Parent company loan	£ 250,000	£ 250,000
	<u> </u>	<u> </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.

11. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation
Balance at 28 May 2001	11,171
Transfer - profit and loss	(2,741)
Balance at 27 May 2002	<u>£ 8,430</u>

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 27 May 2002

	2002	2001
12. EQUITY SHARE CAPITAL		
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 2001	37,732	6,974
Profit for the year	378	30,758
	<u> </u>	<u> </u>
27 May 2002	£ 38,110	£ 37,732
	<u> </u>	<u> </u>
14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
	2002	2001
Profit for the financial year	50,378	40,758
Dividends	(50,000)	(10,000)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	378	30,758
Opening shareholders' funds	87,732	56,974
	<u> </u>	<u> </u>
Closing shareholders' funds	£ 88,110	£ 87,732
	<u> </u>	<u> </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. The company provided management, storage and administration services of £131,200 (2001:£141,914) to Mixer Hire Limited. It also made sales of machinery to Mixer Hire Limited of £125,469 (2001: £80,648) Winkworth Holdings Limited provided management and administration services of £650,379 (2001:£734,846).

The above transactions were at normal commercial prices.