

REGISTERED NO. 1488034

STRATFORD PRECISION ENGINEERING
SERVICES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 1994



STRATFORD PRECISION ENGINEERING SERVICES LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF
STRATFORD PRECISION ENGINEERING SERVICES LIMITED
PURSUANT TO SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the full financial statements of Stratford Precision Engineering Services Limited for the year ended 30 September 1994. The scope of our work for the purposes of this report was limited to confirming that the Company is entitled to the exemptions claimed in the Directors' Statement on page 2 and that the abbreviated financial statements have been properly prepared from the full financial statements.

In our opinion the Company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 30 September 1994 and the abbreviated financial statements have been properly prepared from the full financial statements.

On 16 November 1994 we reported as auditors of Stratford Precision Engineering Services Limited to the members on the full financial statements required by Section 226 of the Companies Act 1985 for the year ended 30 September 1994 and our audit report was as follows :

"We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

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.

Basis of Opinion


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. 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 mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 30 September 1994 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."

15 WARWICK ROAD
STRATFORD UPON AVON
16th November 1994


MURPHY SALISBURY
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

STRATFORD PRECISION ENGINEERING SERVICES LIMITED

ABBREVIATED BALANCE SHEET AT 30 SEPTEMBER 1994

	<u>1994</u>	<u>1993</u>
	£	£
<u>FIXED ASSETS</u>		
Tangible assets (Note 2)	268,561	284,932
<u>CURRENT ASSETS</u>		
Stock	43,904	18,086
Work in progress	39,227	23,546
Debtors	213,115	175,341
Cash at bank and in hand	50,649	105,548
	-----	-----
	346,895	322,521
<u>CREDITORS</u> : Amounts falling due within one year	152,694	115,625
	-----	-----
<u>NET CURRENT ASSETS</u>	194,201	206,896
	-----	-----
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	462,762	491,828
<u>CREDITORS</u> : Amounts falling due after more than one year (Note 3)	(52,756)	(56,473)
	-----	-----
<u>NET ASSETS</u>	410,006	435,355
	=====	=====
<u>CAPITAL AND RESERVES</u>		
Share capital (Note 4)	1,099	1,099
Profit and loss account	408,907	434,256
	-----	-----
	410,006	435,355
	=====	=====

In preparing these abbreviated financial statements, the Directors have taken advantage of the exemptions conferred by Schedule 8 Part IIIA of the Companies Act 1985 and have done so on the grounds that, in their opinion, the Company qualifies as a small company and is entitled to make use of the exemptions.

In preparing the financial statements the Directors have taken advantage of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

The abbreviated financial statements were approved by the Board on 16 November 1994 and signed on its behalf.

M J DAVIES

D J McEWAN

DIRECTORS

The Notes on pages 3 to 5 form part of these abbreviated financial statements.

STRATFORD PRECISION ENGINEERING SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1994

1. ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards and include the results of the Company's operations as indicated in the Directors Report, all of which are continuing.

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

b) TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the Company, net of Value Added Tax and trade discounts.

c) 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases :

Tooling equipment	-	20% straight line basis
Motor vehicles	-	25% reducing balance basis
Plant and equipment	-	20% reducing balance basis
Office equipment	-	15% reducing balance basis
Land and buildings	-	NIL

d) LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. 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 so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

e) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to Profit and Loss Account as incurred.

f) STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

g) DEFERRED TAXATION

No provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, as in the opinion of the Directors, there is no reasonable probability that a liability will crystallise in the near future.

STRATFORD PRECISION ENGINEERING SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1994

h) PENSIONS

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2. TANGIBLE FIXED ASSETS

	Total

<u>COST</u>	
At 1 October 1993	471,754
Additions	36,319
Disposals	(22,513)

At 30 September 1994	485,560

<u>DEPRECIATION</u>	
At 1 October 1993	186,822
Eliminated on disposals	(12,656)
Charge for the year	42,833

At 30 September 1994	216,999

<u>NET BOOK VALUE</u>	
At 30 September 1994	268,561
	=====
At 30 September 1993	284,932
	=====

Included above are motor vehicles held under hire purchase contracts with a net book value of £19,969 (1993-£15,418). In the Directors' opinion the value of the land and buildings above is not less than £110,000.

	<u>1994</u>	<u>1993</u>
	£	£
3. <u>CREDITORS</u> : Amounts falling due after more than one year		
Loans	44,781	55,752
Net obligations under hire purchase contracts	7,975	721
	-----	-----
	52,756	56,473
	=====	=====

The bank loan is repayable after more than five years.

Bank borrowing is secured by (a) Debenture on banks standard form dated 28 November 1983 registered 2 December 1983 and (b) Lease Unit 5, Waterloo Industrial Estate, Bidford on Avon, charged on banks standard form dated 7 March 1990 registered 19 March 1990.

STRATFORD PRECISION ENGINEERING SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1994

	<u>1994</u>	<u>1993</u>
	£	£
4. <u>SHARE CAPITAL</u>		
Authorised :		
100 Ordinary shares of £1. each	100	100
1000 Ordinary 'A' Non-voting shares of £1. each	1,000	1,000
	-----	-----
	1,100	1,100
	=====	=====
 Allotted, called up and fully paid :		
99 Ordinary shares of £1. each	99	99
1000 Ordinary 'A' Non-voting shares of £1. each	1,000	1,000
	-----	-----
	1,099	1,099
	=====	=====

5. TRANSACTIONS WITH DIRECTORS

Mr D J McEwan is a partner in DJM Tools and McEwan and Knight Enterprises from whom the Company bought goods and services during the year on normal commercial terms.