

Registered
Company Number 1869891

Central Weighing Limited

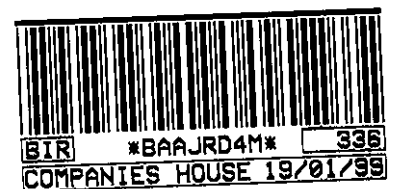
Abbreviated Accounts

Year Ended

30 June 1998



BDO Stoy Hayward
Registered Auditors



Central Weighing Limited

Annual report and financial statements for the year ended 30 June 1998

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Directors

P S Jackson
R W Stokes

Joint Secretaries

P J D Langford
G D Secretarial Services Limited

Registered office

Unit 142
Hartlebury Trading Estate
Kidderminster
Worcestershire
DY10 4JB

Registered number

1869891

Auditors

BDO Stoy Hayward
Beneficial Building
28 Paradise Circus
Queensway
Birmingham
B1 2BJ

Central Weighing Limited

Report of the auditors

Auditors' report to Central Weighing Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 8 together with the financial statements of the company for the year ended 30 June 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 8 are properly prepared in accordance with those provisions.

BDO Stoy Hayward

BDO STOY HAYWARD
Registered Auditors
Birmingham

22 December 1998

Central Weighing Limited

Balance sheet at 30 June 1998

| | Note | 1998 | 1997 |
|--|------|----------------|----------------|
| | | £ | £ |
| Fixed assets | | | |
| Intangible assets | 2 | 86,449 | 75,612 |
| Tangible assets | 3 | 58,539 | 54,367 |
| | | <u>144,988</u> | <u>129,979</u> |
| Current assets | | | |
| Stocks | | 91,457 | 85,447 |
| Debtors | | 381,362 | 448,937 |
| Cash at bank and in hand | | 2,862 | 1,651 |
| | | <u>475,681</u> | <u>536,035</u> |
| Creditors: amounts falling due within one year | 5 | (341,635) | (440,131) |
| Net current assets | | <u>134,046</u> | <u>95,904</u> |
| Total assets less current liabilities | | <u>279,034</u> | <u>225,883</u> |
| Creditors: amounts falling due after more than one year | 6 | (37,866) | (4,570) |
| Provisions for liabilities and charges | | (23,199) | (19,879) |
| Accruals and deferred income | 7 | (30,488) | (35,423) |
| Net assets | | <u>187,481</u> | <u>166,011</u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 1,800 | 1,800 |
| Share premium account | | 59,200 | 59,200 |
| Profit and loss account | | 126,481 | 105,011 |
| Equity Shareholders' funds | | <u>187,481</u> | <u>166,011</u> |

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

In preparing these abbreviated financial statements we have relied upon S.246 and S.247 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those sections as a small company.

The notes on pages 4 to 8 form part of these financial statements.

Central Weighing Limited

Balance sheet at 30 June 1998 (*continued*)

The financial statements were approved by the Board on 22 December 1998

R W Stokes

Director

A handwritten signature in black ink, appearing to read 'R W Stokes', written over the printed name.

The notes on pages 4 to 8 form part of these financial statements.

Central Weighing Limited

Notes forming part of the financial statements for the year ended 30 June 1998

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Group financial statements

The company is exempt from the requirement to prepare group financial statements by virtue of S.248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

| | | |
|----------------------------------|---|-----------------------------------|
| Plant and Machinery | - | 20% per annum on reducing balance |
| Fixtures, Fittings and Equipment | - | 15% per annum on reducing balance |

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

Central Weighing Limited

Notes forming part of the financial statements for the year ended 30 June 1998 (*Continued*)

Accounting policies (*continued*)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

The company pays pension contributions on behalf of Mr R W Stokes. The assets of the scheme are held separately from those of the company in independently administered funds.

Deferred development expenditure

Expenditure on pure and applied research is written off in the year in which it is incurred. Development expenditure is written off in the year in which it is incurred, except where it is separately identifiable and relates to a clearly defined project whose outcome can be assessed as profitable, with reasonable certainty. In these circumstances, the expenditure is capitalised as an intangible asset and amortised based on the Directors estimate of the benefit accruing, subject to a minimum write down of 25% per annum on cost.

Maintenance contract income receivable in advance

Maintenance contract income receivable in respect of future periods is shown as deferred income and is released to the profit and loss account as the rental period elapses.

Central Weighing Limited

Notes forming part of the financial statements for the year ended 30 June 1998 (*Continued*)

2 Intangible assets

| | Deferred Development Expenditure £ | Export Development (Market research) £ | Total £ |
|-----------------------|---|---|------------|
| <i>Cost</i> | | | |
| At 1 July 1997 | 342,505 | 60,492 | 402,997 |
| Additions | 64,567 | - | 64,567 |
| Disposals | - | (60,492) | (60,492) |
| | | | |
| At 30 June 1998 | 407,072 | - | 407,072 |
| | | | |
| <i>Amortisation</i> | | | |
| At 1 July 1997 | 266,893 | 60,492 | 327,385 |
| Provided for the year | 53,730 | - | 53,730 |
| Disposals | - | (60,492) | (60,492) |
| | | | |
| At 30 June 1998 | 320,623 | - | 320,623 |
| | | | |
| <i>Net Book Value</i> | | | |
| At 30 June 1998 | 86,449 | - | 86,449 |
| | | | |
| At 30 June 1997 | 75,612 | - | 75,612 |

Central Weighing Limited

Notes forming part of the financial statements for the year ended 30 June 1998 (*Continued*)

3 Tangible assets

| | Total £ |
|-----------------------|------------|
| <i>Cost</i> | |
| At 1 July 1997 | 162,805 |
| Additions | 15,753 |
| | <hr/> |
| At 30 June 1998 | 178,558 |
| | <hr/> |
| <i>Depreciation</i> | |
| At 1 July 1997 | 108,438 |
| Provided for the year | 11,581 |
| | <hr/> |
| At 30 June 1998 | 120,019 |
| | <hr/> |
| <i>Net Book Value</i> | |
| At 30 June 1998 | 16,989 |
| | <hr/> |
| At 30 June 1997 | 21,038 |
| | <hr/> |

Included above are assets held under finance leases or hire purchase contracts with a net book value of:

| | 1998 £ | 1997 £ |
|----------------------------------|-----------|-----------|
| Fixtures, fittings and equipment | 6,560 | - |
| | <hr/> | <hr/> |

4 Fixed asset investments

Investments include an investment in a subsidiary, Central Measurement and Control Limited, a company registered in England and Wales, comprising a holding of 100% of its issued ordinary capital. During its latest financial year Central Measurement and Control Limited did not trade. At the end of that year the aggregate of its capital and reserves was £(4,350) (1997 - £(4,168)). The only liability of the subsidiary is the intercompany balance with Central Weighing Limited of £4,100 which has been fully provided against in these financial statements. The original cost of the investment in the subsidiary of £2 has been written off.

Central Weighing Limited

Notes forming part of the financial statements for the year ended 30 June 1998 (Continued)

5 Creditors: amounts falling due within one year

The bank loan and overdraft of £129,117 (1997:£152,902) are secured by a fixed and floating charge over all assets of the company. In addition the bank holds guarantees from a Director Mr R W Stokes and from a shareholder Ferndown Properties Limited for £50,000 each.

6 Creditors: amounts falling due after more than one year

| | 1998 £ | 1997 £ |
|---|-----------|-----------|
| Bank Loan | 37,866 | 4,570 |
| Included within the above are amounts falling due as follows: | | |
| In 1 - 2 years: | | |
| Loan instalments | 20,000 | 4,570 |
| In 2 - 5 years: | | |
| Loan instalments | 17,866 | - |
| | 37,866 | 4,570 |

7 Deferred income

Deferred income arises from revenue from maintenance agreements relating to future periods and is all due within one year.

8 Called up share capital

| | Authorised | | Allotted, called up and fully paid | |
|----------------------------|------------|-----------|---------------------------------------|-----------|
| | 1998 £ | 1997 £ | 1998 £ | 1997 £ |
| Ordinary shares of £1 each | 10,000 | 10,000 | 1,800 | 1,800 |

9 Cash flow Statement

The company has taken advantage of the exemptions under Financial Reporting Standard 1, "Cash flow statements", and has not prepared a cash flow statement.