

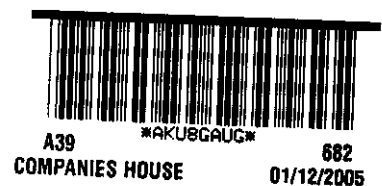
Company Registration No. 3087440 (England and Wales)

**CITY OF NEWPORT MODEL
ENGINEERING SOCIETY LIMITED**

**(Formerly The Newport Model
Engineering Society Limited)**

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

YEAR ENDED 31 MARCH 2005



CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

COMPANY INFORMATION

Committee of Management

P R Pritchard
C G Rowden
D Hall
E Attree (Chairman)
J Norman
S M Foster (Secretary)
P Willey (Treasurer)
T H Williams
J G Bale (Appointed April 2005)
S Kenwood (Co-optee)

Secretary

S M Foster

President

P Rich

Company number

3087440

Registered office

185 Malpas Road
Newport
NP20 5PP

Auditors

Griffiths, Green, Arnold
11 New Street, Pontnewydd
NP44 1EE

Bankers

Barclays Bank Plc
57 Frogmore Street
Abergavenny
NP7 5AT

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

CONTENTS

	Page
Committee of Management's report	1
Independent auditors' report	2
Income and expenditure account	3
Balance sheet	4
Notes to the financial statements	5 - 7

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2005

The directors present their report and financial statements for the year ended 31 March 2005.

Principal activities

The principal activity in the year under review was as a members club for model engineers, to promote interest in model engineering and to educate the young and handicapped in the country's heritage of steam, rail and model engineering.

The company is a company limited by members guarantee. Details of the guarantee are given in the notes to the financial statements.

On the 11 June 2004 the company changed its name from The Newport Model Engineering Society Limited.

Committee of Management

The following directors have held office since 1 April 2004:

P R Pritchard

C G Rowden

D Hall

E Attree (Chairman)

J Norman

S M Foster (Secretary)

P Willey (Treasurer)

T H Williams

J G Bale

(Appointed April 2005)

S Kenwood (Co-optee)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Griffiths, Green, Arnold be reappointed as auditors of the company will be put to the Annual General Meeting.

Committee members' responsibilities

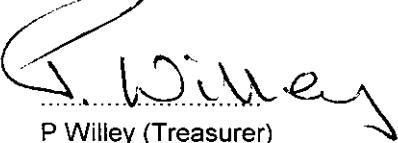
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



P Willey (Treasurer)

28-11-05
Date

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

We have audited the financial statements of City of Newport Model Engineering Society Limited on pages 3 to 7 for the year ended 31 March 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 misstatement, 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 as at 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Griffiths, Green, Arnold

20/11/05

Chartered Accountants
Registered Auditor

11 New Street, Pontnewydd

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Turnover		7,200	6,386
Administrative expenses		(7,583)	(7,463)
Other operating income		2,534	1,600
Operating surplus	2	2,151	523
Other interest receivable and similar income		357	213
Surplus on ordinary activities before taxation		2,508	736
Tax on profit on ordinary activities	3	-	-
Surplus on ordinary activities after taxation	8	2,508	736

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the income and expenditure account.

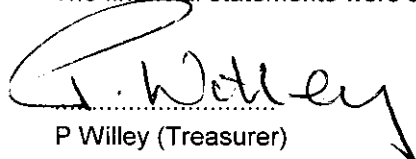
CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	4		87,289		82,044
Current assets					
Debtors	5	1,235		1,251	
Cash at bank and in hand		21,828		27,081	
		<u>23,063</u>		<u>28,332</u>	
Creditors: amounts falling due within one year	6	<u>(1,903)</u>		<u>(2,835)</u>	
Net current assets			21,160		25,497
Total assets less current liabilities			108,449		107,541
Accruals and deferred income	7		<u>(25,794)</u>		<u>(27,394)</u>
			<u>82,655</u>		<u>80,147</u>
Reserves					
Income and expenditure account	8		<u>82,655</u>		<u>80,147</u>
Members' funds	9		<u>82,655</u>		<u>80,147</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.

The financial statements were approved by the Committee of Management on 28-11-05


P Willey (Treasurer)

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. The nature of the company's assets are such that the activities of the society's members in pursuing the objectives of the society result in the fixed assets being maintained and repaired on a regular basis. Consequently there is no diminuation in the value of the fixed assets and so any depreciation would be immaterial. However, assets acquired through the assistance of grants are written off as follows:

Land and buildings Freehold	not depreciated
Plant and machinery	5% on cost

2 Operating profit	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	600	600
Auditors' remuneration	353	353
and after crediting:		
Government grants	1,600	1,600
	<u> </u>	<u> </u>
3 Taxation		
Current tax charge	-	-
	<u> </u>	<u> </u>

On the basis of these financial statements no provision has been made for corporation tax.

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2004	59,461	24,733	84,194
Additions	3,767	2,078	5,845
	<u>63,228</u>	<u>26,811</u>	<u>90,039</u>
At 31 March 2005	63,228	26,811	90,039
Depreciation			
At 1 April 2004	-	2,150	2,150
Charge for the year	-	600	600
	<u>-</u>	<u>2,750</u>	<u>2,750</u>
At 31 March 2005	-	2,750	2,750
Net book value			
At 31 March 2005	<u>63,228</u>	<u>24,061</u>	<u>87,289</u>
At 31 March 2004	<u>59,461</u>	<u>22,583</u>	<u>82,044</u>

5 Debtors	2005 £	2004 £
Other debtors	<u>1,235</u>	<u>1,251</u>

6 Creditors: amounts falling due within one year	2005 £	2004 £
Other creditors	<u>1,903</u>	<u>2,835</u>

7 Accruals and deferred income

	Government grants £
Balance at 1 April 2004	27,394
Amortisation in the year	(1,600)
Balance at 31 March 2005	<u>25,794</u>

CITY OF NEWPORT MODEL ENGINEERING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

8 Statement of movements on income and expenditure account

	income and expenditure account £
Balance at 1 April 2004	80,147
Retained surplus for the year	2,508
Balance at 31 March 2005	<u>82,655</u>

9 Reconciliation of movements in members' funds

	2005 £	2004 £
Surplus for the financial year	2,508	736
Opening members' funds	<u>80,147</u>	<u>79,411</u>
Closing members' funds	<u>82,655</u>	<u>80,147</u>

10 Members guarantees

Each member of the company has agreed that in the event of a winding-up, they will contribute an amount not exceeding £1 towards any shortfall.

11 Transactions with members

None of the members of the Committee of Management recieved any remuneration or reimbursement of expenses from the company.