

Reg.

TESTED SPRING COMPANY LTD

FINANCIAL STATEMENTS

29TH FEBRUARY 1996

Registered number: 00437480

HENN & WESTWOOD

CHARTERED ACCOUNTANTS

Halesowen, West Midlands



TESTED SPRING COMPANY LTD

FINANCIAL STATEMENTS

for the year ended 29th February 1996

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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## TESTED SPRING COMPANY LTD

## COMPANY INFORMATION

29th February 1996

Incorporated in England &amp; Wales

COMPANY NUMBER	00437480
CHAIRMAN	P N Woodward Esq
OTHER DIRECTOR	Mrs M Woodward
SECRETARY	M Woodward
REGISTERED OFFICE	20 Hainge Road Tividale Warley West Midlands, B69 2NG
AUDITORS	Henn & Westwood Chartered Accountants Rumbow House Rumbow Halesowen, West Midlands B63 3HU

## TESTED SPRING COMPANY LTD

## DIRECTORS' REPORT

29th February 1996

The directors present their report and the audited financial statements for the year ended 29th February 1996.

**Principal activity**

The principal activity of the company continues to be that of manufacturers of springs within the United Kingdom.

**Business review**

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £149,421.

**Profit, dividends and appropriations**

The results for the year are shown in the profit and loss account on page 5. An ordinary dividend amounting to £8,000 was paid during the year. The balance of the profit for the year is to be transferred to reserves.

**Fixed assets**

Changes in fixed assets during the year are set out in note 9 to the financial statements.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

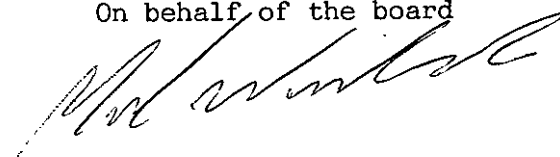
	29th February 1996 Ordinary shares	1st March 1995 Ordinary shares
J W Oliver Esq (Retired 14.03.95)	-	905
P N Woodward Esq	1,333	881
Mrs M Woodward	1,334	881

It is reported with regret that Mr J W Oliver died on 14th March 1995.

**Auditors**

The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Henn & Westwood will continue in office.

On behalf of the board



M Woodward  
Secretary

20 Hainge Road  
Tividale  
Warley  
West Midlands, B69 2NG

25th October 1996

## TESTED SPRING COMPANY LTD

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

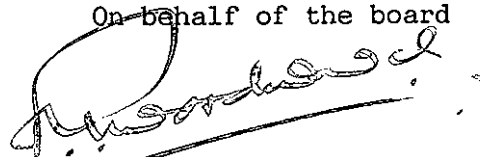
We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

20 Hainge Road  
Tividale  
Warley  
West Midlands, B69 2NG

25th October 1996

On behalf of the board



P N Woodward  
Director

## TESTED SPRING COMPANY LTD

## AUDITORS' REPORT

Auditors' report to the members of

Tested Spring Company Ltd

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, 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 misstatement, whether caused by fraud or error or other irregularity. 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 29th February 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Halesowen, West Midlands  
25th October 1996

*Henn & Westwood*  
Henn & Westwood  
Registered Auditors  
Chartered Accountants

## TESTED SPRING COMPANY LTD

## PROFIT AND LOSS ACCOUNT

for the year ended 29th February 1996

	Note	1996 £	1995 £
Turnover	2	438,538	383,726
Raw materials and consumables		(88,005)	(66,062)
Staff costs	4	(283,508)	(270,817)
Depreciation	3	(4,108)	(4,096)
Other operating charges		(46,174)	(47,795)
Operating profit/(loss)	3	16,743	(5,044)
Investment income	5	2,268	1,929
Interest payable	6	(26)	(70)
Profit/(loss) on ordinary activities before taxation		18,985	(3,185)
Taxation	7	(4,700)	821
Profit/(loss) on ordinary activities after taxation		14,285	(2,364)
Dividends	8	(8,000)	-
Retained profit/(loss) for the year	17	6,285	(2,364)

Movements in reserves are shown in note 17.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1996 or 1995 other than the profit/(loss) for the year.

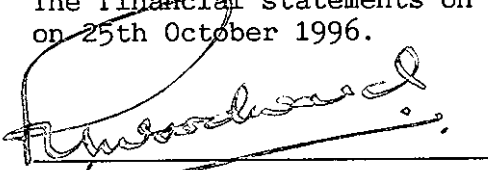
## TESTED SPRING COMPANY LTD

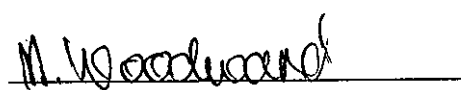
## BALANCE SHEET

at 29th February 1996

	Note	£	1996 £	£	1995 £
<b>Fixed assets</b>					
Tangible assets	9		25,588		18,016
<b>Current assets</b>					
Stocks	10	2,500		2,500	
Debtors	11	133,228		102,085	
Cash at bank and in hand		62,127		70,941	
			197,855		175,526
Creditors: amounts falling due within one year	12	(72,723)		(49,497)	
<b>Net current assets</b>			125,132		126,029
<b>Total assets less current liabilities</b>			150,720		144,045
<b>Provision for liabilities and charges</b>	13		(1,299)		(909)
			149,421		143,136
<b>Capital and reserves</b>					
Called up share capital	16	3,000		3,000	
Profit and loss account	17	146,421		140,136	
<b>Total shareholders' funds</b>	15		149,421		143,136

The financial statements on pages 5 to 12 were approved by the board of directors on 25th October 1996.

  
P N Woodward Esq  
Director

  
Mrs M Woodward  
Director



## TESTED SPRING COMPANY LTD

## NOTES ON FINANCIAL STATEMENTS

29th February 1996

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	10% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	10% reducing balance

**Stocks**

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

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**Pensions****Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**2 Turnover**

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

## TESTED SPRING COMPANY LTD

## NOTES ON FINANCIAL STATEMENTS

29th February 1996

## 3 Operating profit/(loss)

	1996 £	1995 £
Operating profit/(loss) is stated after crediting		
Profit on sale of assets	2,567	-
and after charging		
Staff costs (note 4)	283,508	270,817
Auditors' remuneration	4,000	3,300
Depreciation of tangible fixed assets (note 9)		
owned assets	6,675	4,096

## 4 Directors and employees

	1996 £	1995 £
Staff costs including directors' emoluments		
Wages and salaries	251,817	242,278
Social security costs	25,418	22,280
Pension costs	6,273	6,259
	283,508	270,817
	Number	Number
Average number employed including executive directors		
Production staff	15	15
Office and management	5	5
	20	20
Directors	£	£
Directors' emoluments	11,800	16,574
	11,800	16,574

## Pension costs

## Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £6,273 (1995 £6,259).

TESTED SPRING COMPANY LTD  
NOTES ON FINANCIAL STATEMENTS

29th February 1996

5 Investment income	1996 £	1995 £
Bank interest receivable	<u>2,268</u>	<u>1,929</u>
6 Interest payable	1996 £	1995 £
Bank interest	<u>26</u>	<u>70</u>
	<u>26</u>	<u>70</u>
7 Taxation	1996 £	1995 £
Corporation tax on profit on ordinary activities at 25% (1995 25%)	4,310	(949)
Deferred taxation	<u>390</u>	<u>174</u>
	4,700	(775)
Over provision in earlier years	<u>-</u>	<u>(46)</u>
	<u>4,700</u>	<u>(821)</u>
8 Dividends	1996 £	1995 £
Dividend Paid on Equity Shares	<u>8,000</u>	<u>-</u>

## TESTED SPRING COMPANY LTD

## NOTES ON FINANCIAL STATEMENTS

29th February 1996

## 9 Tangible fixed assets

Cost or valuation	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Total £
1st March 1995	45,740	18,091	9,022	72,853
Additions	14,995	685	-	15,680
Disposals	(10,740)	-	-	(10,740)
29th February 1996	<u>49,995</u>	<u>18,776</u>	<u>9,022</u>	<u>77,793</u>
Depreciation				
1st March 1995	36,318	13,036	5,483	54,837
Charge for year	5,747	574	354	6,675
Disposals	(9,307)	-	-	(9,307)
29th February 1996	<u>32,758</u>	<u>13,610</u>	<u>5,837</u>	<u>52,205</u>
Net book amount				
29th February 1996	<u>17,237</u>	<u>5,166</u>	<u>3,185</u>	<u>25,588</u>
1st March 1995	<u>9,422</u>	<u>5,055</u>	<u>3,539</u>	<u>18,016</u>

## 10 Stocks

	1996 £	1995 £
Raw materials	2,500	2,500
	<u>2,500</u>	<u>2,500</u>

## 11 Debtors

	1996 £	1995 £
Amounts falling due within one year		
Trade debtors	132,092	99,965
Other debtors	-	949
Prepayments and accrued income	1,136	1,171
	<u>133,228</u>	<u>102,085</u>

## TESTED SPRING COMPANY LTD

## NOTES ON FINANCIAL STATEMENTS

29th February 1996

## 12 Creditors: amounts falling due within one year

	1996 £	1995 £
Other loans	-	25
Trade creditors	22,976	20,906
Corporation tax	4,310	-
Other taxation and social security	24,000	20,236
Other creditors	12,408	-
Accruals and deferred income	9,029	8,330
	<u>72,723</u>	<u>49,497</u>

## 13 Provision for liabilities and charges

	1995 £	Profit and loss account £	Other movements £	1996 £
Deferred taxation (notes 7 and 14)	(909)	(390)	-	(1,299)

## 14 Deferred taxation

	1996 Potential liability £	1996 Provision made £	1995 Potential liability £	1995 Provision made £
Corporation tax deferred by				
Capital allowances in excess of depreciation	1,299	1,299	909	909
	<u>1,299</u>	<u>1,299</u>	<u>909</u>	<u>909</u>

The potential liability and provision are based on a corporation tax rate of 25% (1995 25%).

## 15 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Profit/(loss) for the financial year	14,285	(2,364)
Dividends	(8,000)	-
Net addition to/(subtraction from) shareholders' funds	6,285	(2,364)
Opening shareholders' funds	143,136	145,500
Closing shareholders' funds	<u>149,421</u>	<u>143,136</u>

## TESTED SPRING COMPANY LTD

## NOTES ON FINANCIAL STATEMENTS

29th February 1996

## 16 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Equity shares				
Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Allotted called up and fully paid				
Equity shares				
Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

## 17 Profit and loss account

	1996 £
1st March 1995	140,136
Retained profit for the year	<u>6,285</u>
29th February 1996	<u>146,421</u>