

Eddycurrent Machinery Agents Limited

Company Number: 857948

Abbreviated Statutory Accounts
For the Year ended
31st December 1998

Underwood Kinson

Registered Auditor
Chartered Accountants

35 Market Street
Lichfield
Staffordshire
WS13 6LA



Eddycurrent Machinery Agents Limited

ABBREVIATED STATUTORY ACCOUNTS
For the Year ended 31st December 1998

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AUDITORS' REPORT TO
Eddycurrent Machinery Agents Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial accounts set out on pages 2 to 5, together with the financial accounts of the company for the Year ended 31st December 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 accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial accounts 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 accounts, that the company is entitled to deliver abbreviated financial accounts and that the abbreviated financial accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial accounts.

OPINION

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

Underwood Kinson

Underwood Kinson
Registered Auditors
Chartered Accountants
35 Market Street
Lichfield
Staffordshire
WS13 6LA

8th September 1999

Eddycurrent Machinery Agents Limited

ABBREVIATED BALANCE SHEET

As at 31st December 1998

| | <u>Notes</u> | <u>1998</u> | <u>1997</u> |
|--|--------------|--------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 2 | - | 532,310 |
| CURRENT ASSETS | | | |
| Stock and Work in Progress | | - | 413,092 |
| Debtors | 1,000 | | 968,734 |
| Cash at Bank and in Hand | | - | 106,457 |
| | | <u>1,000</u> | <u>1,488,283</u> |
| CREDITORS : Amounts Falling | | | |
| Due within One Year | | - | (1,748,419) |
| | | <u>1,000</u> | <u>(260,136)</u> |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>1,000</u> | <u>(260,136)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,000</u> | <u>272,174</u> |
| PROVISION FOR LIABILITIES | | | |
| AND CHARGES | | - | (24,741) |
| | | <u>1,000</u> | <u>247,433</u> |
| CAPITAL AND RESERVES | | | |
| Share Capital | 3 | 1,000 | 1,000 |
| Other Reserves | | - | 113,501 |
| Profit and Loss Account | | - | 132,932 |
| TOTAL SHAREHOLDERS' FUNDS | | <u>1,001</u> | <u>247,433</u> |

The notes on pages 4 to 5 form part of these accounts.

continued

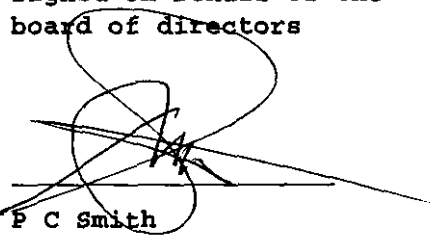
Eddycurrent Machinery Agents Limited**ABBREVIATED BALANCE SHEET**

(continued)

As at 31st December 1998

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the
board of directors

A large, stylized handwritten signature in black ink, appearing to be 'P C Smith', is written over a horizontal line.

P C Smith
Director

Approved by the board: 8th September 1999

The notes on pages 4 to 5 form part of these accounts.

Eddycurrent Machinery Agents Limited**NOTES TO THE ABBREVIATED ACCOUNTS**
For the Year Ended 31st December 1998

1. ACCOUNTING POLICIES**Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|-----------------------|-------------------------------|
| Freehold Property | 2% on cost or revalued amount |
| Motor Vehicles | 25% on the reducing balance |
| Plant and Equipment | 15% on the reducing balance |
| Fixtures and Fittings | 15% on the reducing balance |

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 items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

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 qualifies as a small company under the Companies Act 1985.

Eddycurrent Machinery Agents Limited

NOTES TO THE ABBREVIATED ACCOUNTS
For the Year Ended 31st December 1998

2. TANGIBLE FIXED ASSETS

| | Land & Buildings | Plant & Machinery etc | TOTAL |
|-----------------------|---------------------|--------------------------|-------------------|
| COST | £ | £ | £ |
| At 1st January 1998 | 330,000 | 752,432 | 1,082,432 |
| Additions in Year | - | 93,265 | 93,265 |
| Disposals in Year | (330,000) | (845,697) | (1,175,697) |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31st December 1998 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| DEPRECIATION | | | |
| At 1st January 1998 | 13,068 | 537,054 | 550,122 |
| Write off on Disposal | (19,668) | (591,848) | (611,516) |
| Charge for the Year | 6,600 | 54,793 | 61,393 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31st December 1998 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| NET BOOK VALUE | | | |
| At 31st December 1998 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31st December 1997 | 316,932 | 215,378 | 532,310 |
| | <u> </u> | <u> </u> | <u> </u> |

3. SHARE CAPITAL

| | <u>1998</u> £ | <u>1997</u> £ |
|---------------------------------|------------------|------------------|
| Authorised | | |
| Ordinary Shares of 1 each | <u>2,000</u> | <u>2,000</u> |
| Allotted, Issued and Fully Paid | | |
| Ordinary Shares of 1 each | <u>1,000</u> | <u>1,000</u> |