

**Report of the Directors and
Financial Statements
for the Year Ended 31st December 2000
for
Alston Engineers (Preston) Limited**



Alston Engineers (Preston) Limited

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for the Year Ended 31st December 2000**

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Alston Engineers (Preston) Limited
Company Information
for the Year Ended 31st December 2000

DIRECTORS: M J Gillibrand
A P Baines
Mrs M L Gillibrand
C P Gillibrand

SECRETARY: Mrs M L Gillibrand

REGISTERED OFFICE: 108 Holme Slack Lane
Preston
Lancashire
PR1 6HA

REGISTERED NUMBER: 1535202 (England and Wales)

AUDITORS: Egan Roberts
Chartered Accountants
and Registered Auditors
Glenfield House
Philips Road
Blackburn
BB1 5PF

Alston Engineers (Preston) Limited

Report of the Directors for the Year Ended 31st December 2000

The directors present their report with the financial statements of the company for the year ended 31st December 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of pre-applied threadlocking and sealing and the manufacture of special purpose machinery.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividends were paid during the year ended 31st December 2000.

The directors recommend final dividends per share as follows:

Ordinary £1 shares	NIL
Preferred Ordinary £1 shares	16p

The total distribution of dividends for the year ended 31st December 2000 will be £4,000.

DIRECTORS

The directors during the year under review were:

M J Gillibrand
A P Baines
Mrs M L Gillibrand
C P Gillibrand

The beneficial interests of the directors holding office on 31st December 2000 in the issued share capital of the company were as follows:

	31.12.00	1.1.00
Ordinary £1 shares		
M J Gillibrand	25,500	25,500
A P Baines	7,000	7,000
Mrs M L Gillibrand	18,500	18,500
C P Gillibrand	-	-
Preferred Ordinary £1 shares		
M J Gillibrand	-	-
A P Baines	-	-
Mrs M L Gillibrand	-	-
C P Gillibrand	-	-

STATEMENT OF DIRECTORS' 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.

Alston Engineers (Preston) Limited

**Report of the Directors
for the Year Ended 31st December 2000**

AUDITORS

The auditors, Egan Roberts, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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:

A handwritten signature in dark ink, appearing to read 'Margaret L. Gillibrand'. The signature is written in a cursive style with a large initial 'M'.

Mrs M L Gillibrand - SECRETARY

Dated: 9 April 2001

Alston Engineers (Preston) Limited

**Report of the Auditors to the Shareholders of
Alston Engineers (Preston) Limited**

We have audited the financial statements on pages five to twelve which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page two 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.

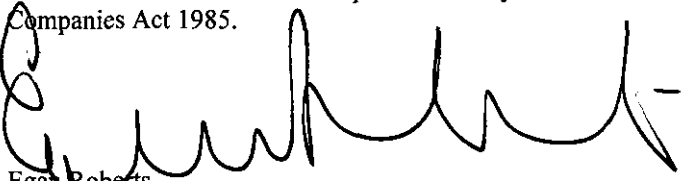
Basis of opinion

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 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 31st December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Egan Roberts
Chartered Accountants
and Registered Auditors
Glenfield House
Philips Road
Blackburn
BB1 5PF

Dated: 6 April 2001

Alston Engineers (Preston) Limited

**Profit and Loss Account
for the Year Ended 31st December 2000**

		2000	1999
	Notes	£	£
TURNOVER		1,069,747	1,030,281
Cost of sales		<u>525,807</u>	<u>504,960</u>
GROSS PROFIT		543,940	525,321
Administrative expenses		<u>477,801</u>	<u>543,795</u>
		66,139	(18,474)
Other operating income		<u>-</u>	<u>2,250</u>
OPERATING PROFIT/(LOSS)	2	66,139	(16,224)
Interest payable and similar charges		<u>50,001</u>	<u>36,793</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		16,138	(53,017)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		16,138	(53,017)
Dividends	4	<u>4,000</u>	<u>-</u>
		12,138	(53,017)
Retained profit brought forward		<u>49,145</u>	<u>102,162</u>
RETAINED PROFIT CARRIED FORWARD		<u>£61,283</u>	<u>£49,145</u>

The notes form part of these financial statements

Alston Engineers (Preston) Limited

**Balance Sheet
31st December 2000**

		<u>2000</u>		<u>1999</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		549,109		595,082
Investments	6		1,000		1,000
			<u>550,109</u>		<u>596,082</u>
CURRENT ASSETS:					
Stocks		37,866		50,819	
Debtors	7	85,034		92,600	
Cash in hand		250		9	
		<u>123,150</u>		<u>143,428</u>	
CREDITORS: Amounts falling due within one year	8	<u>427,817</u>		<u>450,658</u>	
NET CURRENT LIABILITIES:			<u>(304,667)</u>		<u>(307,230)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			245,442		288,852
CREDITORS: Amounts falling due after more than one year	9		(108,159)		(150,957)
ACCRUALS AND DEFERRED INCOME:	13		<u>-</u>		<u>(12,750)</u>
			<u><u>£137,283</u></u>		<u><u>£125,145</u></u>
CAPITAL AND RESERVES:					
Called up share capital	14		76,000		76,000
Profit and loss account			<u>61,283</u>		<u>49,145</u>
SHAREHOLDERS' FUNDS:			<u><u>£137,283</u></u>		<u><u>£125,145</u></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 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:

M. J. Gillibrand

M J Gillibrand - DIRECTOR

Approved by the Board on th 9 April 2001

The notes form part of these financial statements

Alston Engineers (Preston) Limited

Notes to the Financial Statements for the Year Ended 31st December 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Buildings	- 2% on cost
Improvements to property	- 2% on cost
Plant & Machinery	- 10% on reducing balance
Fixtures & Fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock 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

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Pensions

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

Alston Engineers (Preston) Limited

**Notes to the Financial Statements
for the Year Ended 31st December 2000**

2. OPERATING PROFIT/(LOSS)

The operating profit (1999 - operating loss) is stated after charging/(crediting):

	2000	1999
	£	£
Depreciation - owned assets	40,300	16,881
Depreciation - assets on hire purchase contracts or finance leases	19,680	42,899
Loss/(Profit) on disposal of fixed assets	11,584	(548)
Auditors' remuneration	3,200	2,650
Pension costs	12,939	17,521
	<u>122,267</u>	<u>157,976</u>
Directors' emoluments and other benefits etc	<u>122,267</u>	<u>157,976</u>

3. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31st December 2000 nor for the year ended 31st December 1999.

4. DIVIDENDS

	2000	1999
	£	£
25,000 Preferred Ordinary shares of £1 each		
Ordinary - proposed	<u>4,000</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Buildings	Improvem- ents to property	Plant & Machinery
	£	£	£
COST:			
At 1st January 2000	112,500	9,978	516,403
Additions	-	-	31,386
	<u>112,500</u>	<u>9,978</u>	<u>547,789</u>
At 31st December 2000	<u>112,500</u>	<u>9,978</u>	<u>547,789</u>
DEPRECIATION:			
At 1st January 2000	2,250	200	152,803
Charge for year	2,250	200	36,360
	<u>4,500</u>	<u>400</u>	<u>189,163</u>
At 31st December 2000	<u>4,500</u>	<u>400</u>	<u>189,163</u>
NET BOOK VALUE:			
At 31st December 2000	<u>108,000</u>	<u>9,578</u>	<u>358,626</u>
At 31st December 1999	<u>110,250</u>	<u>9,778</u>	<u>363,599</u>

Alston Engineers (Preston) Limited

**Notes to the Financial Statements
for the Year Ended 31st December 2000**

5. TANGIBLE FIXED ASSETS - continued

	Fixtures & Fittin- gs	Motor vehicles	Totals
	£	£	£
COST:			
At 1st January 2000	70,061	107,670	816,612
Additions	227	12,975	44,588
Disposals	(749)	(46,126)	(46,875)
At 31st December 2000	69,539	74,519	814,325
DEPRECIATION:			
At 1st January 2000	32,355	33,921	221,529
Charge for year	6,860	14,310	59,980
Eliminated on disposals	-	(16,293)	(16,293)
At 31st December 2000	39,215	31,938	265,216
NET BOOK VALUE:			
At 31st December 2000	30,324	42,581	549,109
At 31st December 1999	37,706	73,749	595,082

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Plant & Machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1st January 2000	222,966	108,245	331,211
Additions	5,948	12,975	18,923
Disposals	-	(46,126)	(46,126)
Transferred to ownership	(135,017)	(364)	(135,381)
At 31st December 2000	93,897	74,730	168,627
DEPRECIATION:			
At 1st January 2000	44,324	37,025	81,349
Charge for year	8,510	11,170	19,680
Eliminated on disposals	-	(16,293)	(16,293)
Transferred to ownership	(35,529)	427	(35,102)
At 31st December 2000	17,305	32,329	49,634
NET BOOK VALUE:			
At 31st December 2000	76,592	42,401	118,993
At 31st December 1999	178,642	71,220	249,862

Alston Engineers (Preston) Limited

**Notes to the Financial Statements
for the Year Ended 31st December 2000**

6. FIXED ASSET INVESTMENTS

	£
COST:	
At 1st January 2000	
and 31st December 2000	<u>1,000</u>
NET BOOK VALUE:	
At 31st December 2000	<u><u>1,000</u></u>
At 31st December 1999	<u><u>1,000</u></u>

	2000	1999
	£	£
Unlisted investments	<u><u>1,000</u></u>	<u><u>1,000</u></u>

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Trade debtors	66,636	67,910
Other debtors	2,677	2,687
Prepayments & accrued income	15,401	21,683
ACT recoverable	320	320
	<u><u>85,034</u></u>	<u><u>92,600</u></u>

Trade debtors included factored debts amounting to £66,346 (1999:£67,084). The gross debtor balances and amounts received from the factoring company were £294,529 & £222,589 respectively (1999:£278,733 & £210,719).

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Bank loans and overdrafts	99,574	95,781
Trade creditors	106,776	135,332
Directors current accounts	27,946	24,857
Hire purchase creditor	39,491	77,404
Other creditors	58,962	38,192
Dividend proposed	6,000	2,000
Social security & other taxes	36,937	32,929
Accruals and deferred income	52,131	44,163
	<u><u>427,817</u></u>	<u><u>450,658</u></u>

Alston Engineers (Preston) Limited

**Notes to the Financial Statements
for the Year Ended 31st December 2000**

**9. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2000	1999
	£	£
Bank loans	78,912	92,314
HP creditor	29,247	58,643
	<u>108,159</u>	<u>150,957</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans	<u>14,680</u>	<u>18,313</u>

10. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	2000	1999
	£	£
Expiring:		
Between one and five years	<u>28,000</u>	<u>28,000</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2000	1999
	£	£
Bank overdrafts	76,177	72,384
Bank loans	102,309	115,711
	<u>178,486</u>	<u>188,095</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

The amount for which no provision has been made in respect of deferred taxation, is as follows:

	2000	1999
	£	£
Accelerated capital allowances	<u>45,180</u>	<u>45,180</u>

13. ACCRUALS AND DEFERRED INCOME

	2000	1999
	£	£
Deferred government grants		
Brought forward	12,750	-
Received in year	-	15,000
Amortised in year	<u>(12,750)</u>	<u>(2,250)</u>
	<u>-</u>	<u>12,750</u>

Alston Engineers (Preston) Limited

**Notes to the Financial Statements
for the Year Ended 31st December 2000**

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2000 £	1999 £
51,000	Ordinary	£1	51,000	51,000
25,000	Preferred Ordinary	£1	25,000	25,000
			<u>76,000</u>	<u>76,000</u>