

MIDLAND BRAKES LIMITED
ABBREVIATED FINANCIAL STATEMENTS

30TH APRIL 1997

Registered number: 1169363

D.H.TIMMS & CO
CHARTERED CERTIFIED ACCOUNTANTS
Dudley



MIDLAND BRAKES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30th April 1997

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MIDLAND BRAKES LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS**

**Auditors' report to
Midland Brakes Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985**

We have examined the abbreviated financial statements on pages 2-5 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. 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 statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th April 1997, and the abbreviated financial statements on pages 2-5 have been properly prepared in accordance with that Schedule.

Other information

On 13th January 1998 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1997, and our audit report was as follows:

'We have audited the financial statements on pages 5-11 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.

continued

MIDLAND BRAKES LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
Midland Brakes Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

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 30th April 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



Dudley

13.1.1998

D.H. Timms & Co
Registered Auditors
Chartered Certified Accountants

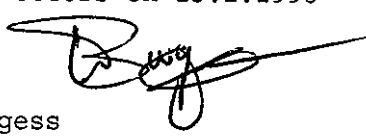
MIDLAND BRAKES LIMITED
ABBREVIATED BALANCE SHEET
at 30th April 1997

	Note	£	1997	£	1996	£
Fixed assets						
Tangible assets	2		374,789		327,660	
Current assets						
Stocks		64,548		76,636		
Debtors	3	128,166		126,487		
Cash at bank and in hand		13,329		12,423		
			206,043		215,546	
Creditors: amounts falling due within one year			(249,580)		(227,028)	
Net current liabilities			(43,537)		(11,482)	
Total assets less current liabilities			331,252		316,178	
Creditors: amounts falling due after more than one year	4		(185,388)		(180,756)	
			145,864		135,422	
Capital and reserves						
Called up share capital	5		100		100	
Profit and loss account			145,764		135,322	
Total shareholders' funds			145,864		135,422	

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2-5 were approved by the board of directors on 13.1.1998


V Burgess
Director

MIDLAND BRAKES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1997

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

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:

Freehold land	Nil
Freehold buildings	Nil
Plant and machinery	20% reducing balance
Motor vehicles	20% reducing balance

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

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.

MIDLAND BRAKES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1997

2 Fixed assets

Cost or valuation	Tangible fixed assets £
1st May 1996	457,940
Additions	157,883
Disposals	(107,280)
30th April 1997	<u>508,543</u>
Depreciation	
1st May 1996	130,280
Charge for year	53,296
Disposals	(49,822)
30th April 1997	<u>133,754</u>
Net book amount	
30th April 1997	<u><u>374,789</u></u>
1st May 1996	<u><u>327,660</u></u>

3 Debtors

	1997 £	1996 £
Amounts falling due within one year	<u><u>128,166</u></u>	<u><u>126,487</u></u>

MIDLAND BRAKES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1997

4 Creditors: amounts falling due
after more than one year

1997	1996
£	£

Creditors include the following amounts:

Amounts falling due
after more than five years:

Bank loans	108,618	124,756
	<u> </u>	<u> </u>
Obligations under finance leases and hire purchase contracts:		
In the next year	21,833	1,167
In the second to fifth year	16,770	-
	<u> </u>	<u> </u>
	38,603	1,167
	<u> </u>	<u> </u>

5 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted called up and fully paid				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>