

**GRIMSBY TRANSMISSION COMPANY LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST AUGUST 1997**



# **AUDITORS' REPORT TO GRIMSBY TRANSMISSION COMPANY LIMITED**

## **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Grimsby Transmission Company Limited for the year ended 31st August 1997 prepared under section 226 of the Companies Act 1985.

### **Respective Responsibilities of Directors and Auditors**

The directors are responsible for preparing the abbreviated financial statements 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 statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

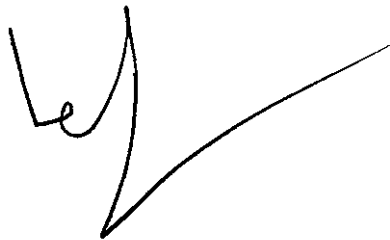
### **Basis of Opinion**

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

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

**Leftley Rowe and Company**  
**Chartered Accountants**  
**and Registered Auditors**  
Fitzgerald House  
Willowcourt Avenue  
Kenton, Harrow  
Middlesex  
HA3 8ES  
29th April 1998



# GRIMSBY TRANSMISSION COMPANY LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31ST AUGUST 1997

	Notes	1997	1996
		£	£
<b>Fixed Assets</b>	<b>2</b>		
Tangible fixed assets		130,401	101,606
<b>Current Assets</b>			
Stocks		291,069	266,600
Debtors		209,585	189,546
Cash at Bank and in Hand		620	189
		<u>501,274</u>	<u>456,335</u>
<b>Creditors: Amounts Falling Due Within One Year</b>		<u>266,371</u>	<u>205,110</u>
<b>Net Current Assets</b>		<u>234,903</u>	<u>251,225</u>
<b>Total Assets Less Current Liabilities</b>		<u>365,304</u>	<u>352,831</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>		109,831	110,776
<b>Provisions for liabilities and charges</b>			
Deferred taxation		<u>4,151</u>	<u>1,683</u>
		<u>251,322</u>	<u>240,372</u>
<b>Capital and Reserves</b>			
Share Capital - Equity	4	532	532
Other reserves - equity		468	468
Profit and loss account		<u>250,322</u>	<u>239,372</u>
<b>Shareholders' Funds</b>		<u>251,322</u>	<u>240,372</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 28th April 1998 and signed on its behalf.

Mr M. Cope  
Director

# GRIMSBY TRANSMISSION COMPANY LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1997

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### 1 Accounting Policies

#### *Basis of Accounting*

The Financial Statements have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### *Turnover*

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

#### *Depreciation*

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by the reducing balance method over their expected useful lives. The rates generally applicable are:

Leasehold properties	over period of the lease
Motor vehicles	25% per annum
Plant, fixtures and equipment	20% per annum

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Deferred Taxation*

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

#### *Contribution to Pension Funds*

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

# GRIMSBY TRANSMISSION COMPANY LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1997

### *Leased Assets*

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

### 2 Fixed Assets

	Tangible Fixed Assets
	£
Cost	
At 1st September 1996	147,090
Additions	58,596
Disposals	(21,485)
At 31st August 1997	184,201
Depreciation	
At 1st September 1996	45,484
Charge for the year	18,623
On disposals	(10,307)
At 31st August 1997	53,800
Net Book Value	
At 31st August 1997	130,401
At 31st August 1996	101,606

The net book value of motor vehicles includes assets held under finance leases and hire purchase contracts amounting to £28,610 (1996: £21,982).

### 3 Secured Creditors

Creditors include bank loans and overdraft amounting to £162,528 (1996:- £102,921) which are secured by way of CAS guarantee between the group companies.

Hire purchase and finance lease contracts amounting to £23,102 (1996: - £14,767) are secured on the assets concerned.

# GRIMSBY TRANSMISSION COMPANY LIMITED

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FOR THE YEAR ENDED 31ST AUGUST 1997

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4	Share Capital	1997	1996
		£	£
	Authorised Equity Shares		
	1,000 Ordinary shares of £1.00 each	1,000	1,000
		<u>          </u>	<u>          </u>
	Allotted Equity Shares		
	532 Allotted, called up and fully paid ordinary shares of £1.00 each	532	532
		<u>          </u>	<u>          </u>

### 5 Parent undertaking

The parent and ultimate holding company is Ball Roller and Transmission Bearings Limited, a company incorporated in England and Wales.