

CITY SEALS AND BEARINGS LTD

ABBREVIATED REPORTS
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

A private company registered in
England number 1438801

BRODERICKS
Certified Accountants
Melbourne House
27 Thorne Road
Doncaster
South Yorkshire
DN1 2EZ



CITY SEALS AND BEARINGS LTD

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AND FINANCIAL STATEMENTS

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CITY SEALS AND BEARINGS LTD

**SPECIAL REPORT OF THE AUDITORS
TO THE DIRECTORS**

FOR THE YEAR ENDED 31 AUGUST 1995

Auditors' report to the Directors of City Seals and Bearings Ltd under Schedule 8 paragraph 8 of the Companies Act 1985.

We have examined the abbreviated financial statements on pages 3 to 7 together with the full financial statements of City Seals and Bearings Ltd for the year ended 31 August 1995. The scope of our work for the purpose of this report was limited to confirming that the Company is entitled to the exemptions conferred by Sections 246 and 247 of the Companies Act 1985, and the abbreviated financial statements have been properly prepared, in accordance with Schedule 8, from the full financial statements.

In our opinion the Company is entitled to the exemptions conferred by Sections 246 and 247 of the Companies Act 1985, and the abbreviated financial statements have been properly prepared in accordance with Schedule 8.

We reported as auditors of City Seals and Bearings Ltd to the members on 16 February 1996 on the Company's full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 August 1995 and our audit opinion was as follows:

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

**Respective responsibilities of directors
and auditors**

As described in the notes to the accounts 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.

CITY SEALS AND BEARINGS LTD

SPECIAL REPORT OF THE AUDITORS
TO THE DIRECTORS

FOR THE YEAR ENDED 31 AUGUST 1995

Basis of opinion (continued)

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 31 August 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Melbourne House
27 Thorne Road
Doncaster
South Yorkshire
DN1 2EZ



Brodericks

Certified Accountants
and Registered Auditors

16 February 1996

CITY SEALS AND BEARINGS LTD

ABBREVIATED BALANCE SHEET

AS AT 31 AUGUST 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
Fixed assets			
Tangible assets	3	87,451	88,926
Current assets			
Stocks		111,689	61,356
Debtors		148,337	127,682
Cash at bank and in hand		234,163	223,259
		<u>494,189</u>	<u>412,297</u>
Creditors: amounts falling due within one year		<u>182,398</u>	<u>164,487</u>
Net current assets		<u>311,791</u>	<u>247,810</u>
Total assets less current liabilities		<u><u>£399,242</u></u>	<u><u>£336,736</u></u>
Capital and reserves			
Called up share capital	4	1,000	1,000
Profit and loss account	5	398,242	335,736
		<u><u>£399,242</u></u>	<u><u>£336,736</u></u>

The Directors state that in preparing these abbreviated accounts they have relied upon the exemptions for small companies, conferred by Sections 246 and 247 of the Companies Act 1985, on the grounds that the Company is entitled to the benefit of those Sections as a small company.

Director.....  M Casson

Director.....  Mrs C M Casson

The notes on pages 4 to 7 form part of these financial statements.

CITY SEALS AND BEARINGS LTD

NOTES TO THE ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

1. Statement of directors responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of its profit or loss 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;
- 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.

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 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.

2. Accounting policies

(a) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Going concern

The accounts have been drawn up on the going concern basis. The directors consider this to be appropriate having regard to the current financial situation and requirements of the company.

(c) Turnover

Turnover represents the invoiced amount of goods and services provided, stated net of Value Added Tax.

CITY SEALS AND BEARINGS LTD

NOTES TO THE ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

2. Accounting policies (Continued)

(d) Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, and property held for investment, at rates calculated to write off the cost or valuation of each asset over its expected useful life, as follows:

Land & buildings	- 11 to 50 years
General equipment	- 5 to 10 years
Motor vehicles	- over 5 years

(e) Stocks

Stock is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

(f) Deferred taxation

Deferred taxation is provided on the liability method on all timing differences where a liability is likely to arise in the future.

(g) Pension contributions

The company operates a defined contributions pension scheme for some of its directors and employees. The assets of the scheme are held separately from those of the company by an insurance company, and the scheme is administered by trustees. The pension costs charged to the profit and loss account and disclosed in the notes to the accounts, are the amount of contributions payable by the company in respect of the accounting period under review. Any difference between amounts charged to the profit and loss account and contributions paid to independent pension schemes is shown as a liability or prepayment in the balance sheet. The funding policy of the scheme is at the discretion of the directors.

CITY SEALS AND BEARINGS LTD

NOTES TO THE ABBREVIATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 1995

3. Tangible fixed assets

	Land and Buildings	Vehicles	General Equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 September 1994	77,186	19,805	10,623	107,614
Additions	4,812	-	-	4,812
At 31 August 1995	81,998	19,805	10,623	112,426
Depreciation:				
At 1 September 1994	2,825	8,888	6,975	18,688
Charge for year	1,904	3,365	1,018	6,287
At 31 August 1995	4,729	12,253	7,993	24,975
Net book value:				
At 31 August 1995	77,269	7,552	2,630	87,451
Net book value:				
At 31 August 1994	74,361	10,917	3,648	88,926

4. Share capital

	1995 £	1994 £
Authorised:		
1,000 ordinary shares of £1 each	£1,000	£1,000
Allotted issued and fully paid:		
1,000 ordinary shares of £1 each	£1,000	£1,000

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FOR THE YEAR ENDED 31 AUGUST 1995

5. Revenue reserves

	<u>1995</u>	<u>1994</u>
	£	£
Balance brought forward	335,736	289,350
Profit for the year	62,506	46,386
Balance carried forward	<u>£398,242</u>	<u>£335,736</u>