

Co. No.

Company Registration No. 2030483 (England and Wales)

**BRIGGS & STRATTON UK LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 3 JULY 2005**



**birdluckin**

# BRIGGS & STRATTON UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	B Peachey	
	M Pasdari	(Appointed 11 October 2005)
	C Twinem	
	M Jaeger	(Appointed 11 October 2005)
	K Paige	(Appointed 11 October 2005)

<b>Secretary</b>	B Peachey
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<b>Company number</b>	2030483
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<b>Registered office</b>	Unit 10 Ashton Gate Ashton Road Harold Hill Romford Essex RM3 8UF
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<b>Auditors</b>	Bird Luckin Limited Burntwood House 7 Shenfield Road Brentwood Essex CM15 8AF
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<b>Business address</b>	Unit 10 Ashton Gate Ashton Road Harold Hill Romford Essex RM3 8UF
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<b>Bankers</b>	Barclays - Brentwood Barclays Bank plc 75 High Street Brentwood Essex CM14 4RP
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<b>Solicitors</b>	Wortley Byers Cathedral Place Brentwood Essex CM14 4ES
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# BRIGGS & STRATTON UK LIMITED

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 10

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# BRIGGS & STRATTON UK LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 3 JULY 2005

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The directors present their report and financial statements for the period ended 3 July 2005.

### Principal activities

The principal activity of the company continued to be that of the sale of internal combustion engines and related parts for the outdoor equipment industry on behalf of group companies.

### Directors

The following directors have held office since 28 June 2004:

B Peachey	
M Schoen	(Resigned 11 October 2005)
JE Brenn	(Resigned 11 October 2005)
M Pasdari	(Appointed 11 October 2005)
C Twinem	
M Jaeger	(Appointed 11 October 2005)
K Paige	(Appointed 11 October 2005)

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary of £ 1 each	
	3 July 2005	28 June 2004
B Peachey	-	-
M Schoen	-	-
JE Brenn	-	-
C Twinem	-	-

The directors have no direct interest in the shares of the company. Their interests in the shares of the parent company, Briggs & Stratton Corporation, are shown in the financial statements of that company.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Bird Luckin Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

# BRIGGS & STRATTON UK LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 3 JULY 2005

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### 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.

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



B Peachey  
Director

20/01/06...

# BRIGGS & STRATTON UK LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BRIGGS & STRATTON UK LIMITED

We have audited the financial statements of Briggs & Stratton UK Limited on pages 4 to 10 for the period ended 3 July 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 3 July 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Bird Luckin*  
**Bird Luckin Limited**

Chartered Accountants

Registered Auditor

Burntwood House  
7 Shenfield Road  
Brentwood  
Essex  
CM15 8AF

*13 February 2006*

# BRIGGS & STRATTON UK LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 3 JULY 2005

		53 Weeks ended 3 July 2005 £	52 Weeks ended 27 June 2004 £
	Notes		
Turnover		1,963,929	2,490,705
Administrative expenses		(1,720,764)	(2,272,994)
<b>Operating profit</b>	<b>2</b>	<b>243,165</b>	<b>217,711</b>
Other interest receivable and similar income		12,259	2,905
Interest payable and similar charges		(1,402)	(7,383)
<b>Profit on ordinary activities before taxation</b>		<b>254,022</b>	<b>213,233</b>
Tax on profit on ordinary activities	<b>3</b>	40,211	(26,942)
<b>Profit on ordinary activities after taxation</b>	<b>9</b>	<b>294,233</b>	<b>186,291</b>

# BRIGGS & STRATTON UK LIMITED

## BALANCE SHEET AS AT 3 JULY 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Tangible assets	4		125,821		154,535
<b>Current assets</b>					
Debtors	5	1,202,863		1,729,653	
Cash at bank and in hand		229,633		144,267	
		<u>1,432,496</u>		<u>1,873,920</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(727,971)</u>		<u>(1,478,452)</u>	
<b>Net current assets</b>			704,525		395,468
<b>Total assets less current liabilities</b>			830,346		550,003
<b>Provisions for liabilities and charges</b>			-		(13,890)
			<u>830,346</u>		<u>536,113</u>
<b>Capital and reserves</b>					
Called up share capital	8		100,000		100,000
Profit and loss account	9		730,346		436,113
<b>Shareholders' funds</b>	10		<u>830,346</u>		<u>536,113</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 June 2002).

The financial statements were approved by the Board on 20/01/06

  
B Peachey  
Director



# BRIGGS & STRATTON UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3 JULY 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents sales commission receivable from other group undertakings. Previously this income was disclosed as other operating income. The comparative figures for the period ended 27 June 2004 have been restated to reflect this change.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	over the life of the lease
Plant and machinery	5 - 50% straight line
Motor vehicles	25% reducing balance

#### 1.5 Leasing

All 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 even if payments are not made on such a basis.

#### 1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the period in accordance with FRSSE (Effective June 2002).

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of deferred taxation by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.9 Financial year

The financial statements are made up to the Sunday nearest 30 June each year. Periodically this results in a financial year of 53 weeks. The financial year of the company ending 3 July 2005 consists of 53 weeks, while the period ending 27 June 2004 consists of 52 weeks.

# BRIGGS & STRATTON UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 JULY 2005

### 1 Accounting policies

(continued)

#### 1.10 Commission Agent

Briggs & Stratton UK Limited is a commission agent for Briggs & Stratton Switzerland. The company receives commission equal to the costs that are directly related to the Commission Merchant's activities plus a profit mark up. In previous years this income was described as "Other Income", however, the directors have taken the view that this is more correctly described as "Turnover". Comparative figures have been adjusted accordingly.

### 2 Operating profit

2005

2004

£

£

Operating profit is stated after charging:

Depreciation of tangible assets

38,510

85,458

Auditors' remuneration

8,000

8,000

Directors' emoluments

77,443

84,958

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2004- 1).

### 3 Taxation

2005

2004

£

£

#### Domestic current year tax

U.K. corporation tax

41,494

26,942

Adjustment for prior years

(81,705)

-

#### Current tax charge

(40,211)

26,942

£81,705 was received during the period in respect of over paid tax in previous periods.

# BRIGGS & STRATTON UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 JULY 2005

### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 28 June 2004	88,539	242,677	331,216
Additions	24,340	18,686	43,026
Disposals	-	(76,915)	(76,915)
At 3 July 2005	112,879	184,448	297,327
<b>Depreciation</b>			
At 28 June 2004	40,276	136,406	176,682
On disposals	-	(43,686)	(43,686)
Charge for the period	9,145	29,365	38,510
At 3 July 2005	49,421	122,085	171,506
<b>Net book value</b>			
At 3 July 2005	63,458	62,363	125,821
At 27 June 2004	48,264	106,271	154,535

### 5 Debtors

	2005 £	2004 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,033,528	1,523,668
Other debtors	169,335	205,985
	1,202,863	1,729,653

### 6 Creditors: amounts falling due within one year

	2005 £	2004 £
Bank loans and overdrafts	-	729,474
Trade creditors	548,807	244,575
Taxation and social security	126,401	284,345
Other creditors	52,763	220,058
	727,971	1,478,452

# BRIGGS & STRATTON UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 JULY 2005

### 9 Pension costs

#### Defined contribution

	2005 £	2004 £
Contributions payable by the company for the period	(1,875)	73,865

### 8 Share capital

#### Authorised

100,000 Ordinary of £1 each

	2005 £	2004 £
100,000 Ordinary of £1 each	100,000	100,000

#### Allotted, called up and fully paid

100,000 Ordinary of £1 each

	2005 £	2004 £
100,000 Ordinary of £1 each	100,000	100,000

### 9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 28 June 2004	436,113
Retained profit for the period	294,233
Balance at 3 July 2005	730,346

### 12 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit for the financial period	294,233	186,291
Opening shareholders' funds	536,113	349,822
Closing shareholders' funds	830,346	536,113

# BRIGGS & STRATTON UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 JULY 2005

### 11 Financial commitments

At 3 July 2005 the company had annual commitments under non-cancellable operating leases as follows:

	2005 £	2004 £
Expiry date:		
Within one year	7,326	8,399
Between two and five years	84,102	22,171
In over five years	39,750	110,186
	<u>131,178</u>	<u>140,756</u>

### 12 Control

The company is a wholly owned subsidiary of Briggs & Stratton Corporation, incorporated in the State of Wisconsin in the USA.

This both the immediate and ultimate parent company. The financial statements of the company are included in the consolidated financial statements Briggs & Stratton Corporation, which are available to the public from the Department of the Corporate Secretary, Post Office Box 702, Milwaukee, Wisconsin 53201, USA.

### 13 Related party transactions

No related transactions have been disclosed as the company has taken advantage of the exemption under FRSSE (effective June 2002), on the basis that it is a 100% owned subsidiary of a company for which consolidated financial statements are publicly available.