

TONANT ENGINEERING LIMITED
COMPANY NUMBER 2765178
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1995

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TONANT ENGINEERING LIMITED

REPORT OF THE DIRECTORS

DIRECTORS

A.D. Hanham - (Chairman)
A.P. Roberts

The Directors present their Report together with the Accounts of the Company for the year ended 31st March 1995.

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 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 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.

TRADING RESULTS

The results for the year and the state of the Company's affairs are as set out in the attached accounts.

DIVIDENDS

The Directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year has continued to be that of welding and fabrication engineers and the manufacture of gates.

REVIEW OF THE BUSINESS

Turnover for the year amounted to £125,672. The Directors are confident that the improved levels of turnover and resultant profitability will continue during the forthcoming year.

TONANT ENGINEERING LIMITEDREPORT OF THE DIRECTORS - CONTINUEDDIRECTORS AND THEIR INTERESTS

The following persons served as Directors during the year and their interests and those of their families in the issued share capital of the company were:-

	<u>Ordinary Shares of £1 each</u>	
	<u>31st March 1995</u>	<u>31st March 1994</u>
A.D. Hanham	1	1
A.P. Roberts	1	1

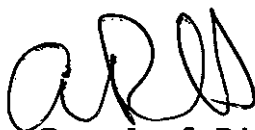
FIXED ASSETS

The movements in Fixed Assets are set out in Note 7 to the accounts.

This Report was approved by the Board of Directors on 18th December 1995

A.P. Roberts
Secretary

Signed on behalf of the Board of Directors



18th December 1995

ACCOUNTANT'S REPORT

TO THE SHAREHOLDERS OF TONANT ENGINEERING LIMITED

We have examined, without carrying out an audit, the accounts for the year ended 31st March 1995 set out on pages 4 to 12.

Respective Responsibilities of Directors and Reporting Accountant
As described on pages 5 and 6 the Company's Directors are responsible for the preparation of the accounts, and they believe that the Company is exempt from an audit. It is our responsibility to examine the accounts and based on this examination to report our opinion, as set out below, to the shareholders.

Basis of Opinion

We conducted our examination in accordance with the appropriate standards for reporting Accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the Company and making such limited enquiries of the officers of the Company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Opinion

In our opinion:-

- (a) the accounts are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
- (c) having regard only to, and on the basis of, the information contained in the accounting records kept by the Company under Section 221, the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act (as modified by Section 249A(5)) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



Edward Friel & Co.,
Chartered Accountants
Poole.

18th December 1995

TONANT ENGINEERING LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST MARCH 1995

	<u>Notes</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Turnover	1(b)	125,672	88,719
Cost of Sales		95,605	65,023
		-----	-----
Gross Profit		30,067	23,696
Administration Expenses		(23,454)	(22,587)
		-----	-----
Operating Profit		6,613	1,109
Interest Payable	2	(626)	(830)
		-----	-----
Profit on Ordinary Activities Before Taxation	3	5,987	279
Tax on Profit on Ordinary Activities	6	(1,489)	(177)
		-----	---
Retained Profit for Year		£4,498	£ 102
		=====	===

STATEMENT OF RETAINED PROFIT

Retained Profit for Year	4,498	102
Retained Profit Brought Forward	102	-
	-----	---
Retained Profit Carried Forward	£4,600	£102
	=====	===

There are no Gains or Losses arising in the year to 31st March 1995 other than as shown in the Profit and Loss Account.

TONANT ENGINEERING LIMITEDBALANCE SHEETAT 31ST MARCH 1995

	<u>Notes</u>	<u>£</u>	<u>1995</u>	<u>£</u>	<u>1994</u>	<u>£</u>
<u>FIXED ASSETS</u>						
Tangible Assets	7		1,998		2,664	
<u>CURRENT ASSETS</u>						
Stock		350		2,100		
Debtors	8	24,513		16,683		
Cash at Bank		-		2,488		
		-----		-----		
		24,863		21,271		
<u>CREDITORS: Amounts Falling</u>						
Due Within One Year	9	(12,828)		(18,169)		
		-----		-----		
NET CURRENT ASSETS			12,035		3,102	
			-----		-----	
TOTAL ASSETS LESS CURRENT LIABILITIES			14,033		5,766	
<u>CREDITORS: Amounts Falling Due</u>						
After More Than One Year	9		(9,431)		(5,662)	
PROVISIONS FOR LIABILITIES						
AND CHARGES	10		-		-	
			-----		-----	
			£4,602		£ 104	
			=====		===	
<u>CAPITAL AND RESERVES</u>						
Called Up Share Capital	11		2		2	
Profit and Loss Account			4,600		102	
			-----		---	
SHAREHOLDERS FUNDS	12		£4,602		£ 104	
			=====		===	

In approving these financial statements as Directors of the Company we hereby confirm:-

- (a) that for the period in question the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the Registered Office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st March 1995, and

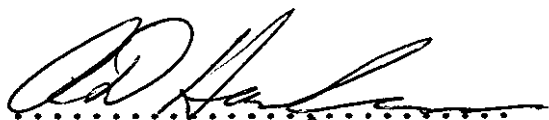
TONANT ENGINEERING LIMITEDBALANCE SHEET - CONTINUEDAT 31ST MARCH 1995

(c) that we acknowledge our responsibilities for:-

- (i) ensuring that the Company keeps accounting records which comply with Section 221, and
- (ii) preparing accounts which give a true and fair view of the state of the affairs of the Company as at the end of the financial period and of its profits for the period then ended and which otherwise comply with the provisions of the Companies Act relating to accounts, so far as applicable to the company.

The accounts were approved by the Board of Directors on
18th December 1995.

A.D. Hanham

)

A.P. Roberts

)

) DIRECTORS

TONANT ENGINEERING LIMITED

NOTES TO ACCOUNTS

YEAR ENDED 31ST MARCH 1995

1. ACCOUNTING POLICIES

- (a) **Accounting Basis and Standards**
These Accounts have been prepared under the Historical Cost Convention and applicable Accounting Standards. The Company has adopted Format 1 for the presentation of its Profit and Loss Account and Format 1 for the presentation of its Balance Sheet.
- (b) **Turnover**
Turnover represents the invoiced value of goods and services provided during the year stated net of Value Added Tax.
- (c) **Depreciation**
Depreciation is provided on all Tangible Fixed Assets, at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life at the following rates per annum:-

Plant & Machinery - 25 % on a Reducing Balance Basis
- (d) **Operating Leases**
Rentals payable under Operating Leases are charged as an expense in the Profit and Loss Account on a Straight Line basis over the period of the Lease.
- (e) **Stock**
Stock has been valued by the Directors at the lower of cost and net realisable value.
- (f) **Deferred Taxation**
Taxation deferred by timing differences is provided for by the liability method, except to the extent to which it is considered that the liability is unlikely to materialise in the foreseeable future.
- (g) **Pension Costs**
The Company operates a Small Self Administered Pension Scheme. The Scheme is a Defined Contributions Scheme. Contributions are charged to the Profit and Loss Account in the period in which they are paid.

TONANT ENGINEERING LIMITEDNOTES TO ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 19952. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
On Bank Loans and Overdrafts wholly Repayable within Five Years	11	3
On Hire Purchase Borrowings Wholly Repayable within Five Years	615	827
	---	---
	£626	£830
	===	===

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX IS STATED AFTER CHARGING

Depreciation of Fixed Assets	666	1,395
Director's Remuneration (Note 5)	38,130	26,993
Operating Lease Rentals	967	72
Rentals Payable Under Other Operating Lease (Note 14)	3,281	4,101
Pension Costs - Defined Contributions Scheme	1,092	-
	=====	=====

4. EMPLOYEES

The average weekly number of employees during the year was 3 made up as follows:-

	<u>Number</u>	<u>Number</u>
Office and Administration	1	1
Production	2	2
	---	---
	3	3
	===	===
Staff Costs during the Year including Emoluments of the Directors amounted to:-	<u>£</u>	<u>£</u>
Wages and Salaries	42,838	29,893
Social Security Costs	4,256	2,807
Pension Costs	1,092	-
	-----	-----
	£48,186	£32,700
	=====	=====

TONANT ENGINEERING LIMITEDNOTES TO ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 1995

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
5. <u>DIRECTORS' REMUNERATION</u>		
Emoluments of the Directors		
Fees	-	-
Other Emoluments	37,038	26,993
Pension	1,092	-
	-----	-----
	38,130	26,993
Benefits in Kind	-	-
	-----	-----
	£38,130	£26,993
	=====	=====
Emoluments of the Chairman	£19,065	£13,496
	=====	=====
Emoluments of other Directors falling within the following ranges:-	<u>Number</u>	<u>Number</u>
£10,001 to £15,000	-	1
£15,001 TO £20,000	1	-
	===	===
6. <u>TAXATION</u>	<u>£</u>	<u>£</u>
The taxation charge which is based on profits of the year is made up as follows:-		
Corporation Tax:-		
Current Year @ 25%	1,489	177
Deferred Taxation	-	-
	-----	-----
	£1,489	£ 177
	=====	=====

TONANT ENGINEERING LIMITEDNOTES TO ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 19957. TANGIBLE FIXED ASSETSPlant &
MachineryCOSTAt 1st April 1994 and
at 31st March 1995

£4,059

=====

DEPRECIATIONAt 1st April 1994
Charge for Year

1,395

666

At 31st March 1995

£2,061

=====

NET BOOK VALUE

At 31st March 1994

£2,644

=====

At 31st March 1995

£1,998

=====

All the above assets are held under a Hire Purchase agreement.

8. DEBTORS

Amounts Falling Due Within One Year:-

19951994££

Trade Debtors

22,638

15,233

Other Debtors

611

538

Prepayments

1,264

912

£24,513

£16,683

=====

=====

10. CREDITORSAmounts Falling
Due Within One
YearAmounts Falling
Due After More
Than One Year1995199419951994££££

Bank Overdraft

1,620

-

-

-

Trade Creditors

2,592

7,203

-

-

Hire Purchase

887

1,188

-

884

Current Corporation Tax

1,061

177

-

-

Other Taxes and Social

Security Costs

3,968

2,368

-

-

Director's Loan Account

-

-

9,431

4,778

Other Creditors

-

4,000

-

-

Accruals

2,700

3,233

-

-

£12,828

£18,169

£9,431

£5,662

=====

=====

=====

=====

TONANT ENGINEERING LIMITEDNOTES TO ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 199510. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation provided in the accounts is as follows:-

	<u>Amounts Provided</u>		<u>Amounts Unprovided</u>	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Capital Allowances in Advance of Depreciation	£ -	£ -	£ -	£ -
	===	===	===	===

11. SHARE CAPITAL

	<u>Authorised</u>		<u>Called Up and Fully paid</u>	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Ordinary Shares of £1 each	1,000	1,000	£ 2	£ 2
	=====	=====	===	===

All the above shares carry full voting rights and full rights to any dividends declared by the Company.

However, in the event of the Company being wound up, holders of the above shares rank behind all other Creditors of the Company and are only entitled to any remaining Distributable Reserves in proportion to their individual shareholdings.

Two Subscriber Shares were issued on Incorporation

12. SHAREHOLDERS FUNDS

All shareholders funds are attributable to equity interests.

13. CAPITAL COMMITMENTS

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Expenditure Contracted for but not provided for	£ Nil	£ Nil
	===	===
Expenditure Authorised by the Directors but not contracted for	£ Nil	£ Nil
	===	===

TONANT ENGINEERING LIMITEDNOTES TO ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 199514. COMMITMENTS UNDER OPERATING LEASES

The Company is committed to making payments under an operating lease in respect of its leasehold premises situated at Unit 6 Nuffield Industrial Estate, Fleetsbridge, Poole, Dorset as follows:-

Within One Year - £3,381

Between One and Five Years - £3,281 per annum, subject to review.

15. PENSION COMMITMENTS

The Company is currently committed to make payments of £2,949 per annum into its Small Self Administered Pension Scheme.