

SWANSEA HYDRAULICS LIMITED

Company Number 02774045

8

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30th APRIL 1998



**R H Jeffs & Rowe
Chartered Accountants
Pontypridd**

AUDITORS REPORT TO

SWANSEA HYDRAULICS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated Accounts set out on pages 2 to 6 together with the financial statements of the Company for the year ended 30th April 1998 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated Accounts in accordance with Schedule 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 Accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the Accounts 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 the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated Accounts and that the abbreviated Accounts 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 Accounts prepared in accordance with section 246 (5) and (6) of the Companies Act 1985, and the abbreviated Accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

R. H. Jeffs + Rowe

**R H Jeffs & Rowe
Chartered Accountants
Registered Auditors
PONTYPRIDD**

29th JANUARY 1999

SWANSEA HYDRAULICS LIMITED**BALANCE SHEET as at 30th APRIL 1998**

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	7	15436	97686
<u>CURRENT ASSETS</u>			
Stock	1	105987	117527
Debtors	8	<u>200463</u>	<u>89315</u>
		<u>306450</u>	<u>206842</u>
<u>CURRENT LIABILITIES</u>			
Creditors - Amounts falling due within one year	9	<u>136512</u>	<u>254303</u>
NET CURRENT (LIABILITIES)		<u>169938</u>	<u>(47461)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		185374	50225
<u>CREDITORS</u>			
Amounts falling due in more than one year	9	<u>(229271)</u>	<u>(129327)</u>
		<u>(43897)</u>	<u>(79102)</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	10	1000	1000
Profit and Loss Account	11	<u>(44897)</u>	<u>(80102)</u>
		<u>(43897)</u>	<u>(79102)</u>

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.

The financial statements on pages 3 to 8 were approved by the directors on 25th November 1998 and are signed on their behalf by:


R V BEVAN
Director

SWANSEA HYDRAULICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 1998****1. ACCOUNTING POLICIES****a) Basis of Accounting**

The Financial Statements have been prepared on the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

b) Turnover

Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.

c) Depreciation

Depreciation is provided on tangible assets at the following rates:-

Plant and Equipment	10% per annum straight line
Premises and Fittings	25% per annum of written down value
Motor Vehicles	25% per annum of written down value

d) Stock

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

e) In circumstances where the Company has amounts due both to and from related companies or other businesses, those assets and liabilities are shown gross in the Balance Sheet under the appropriate headings.**2. OPERATING PROFIT**

	<u>1998</u>	<u>1997</u>
The operating profit is stated after charging:		
Staff Costs (Note 3)	76576	92122
Directors Emoluments (Note 4)	2151	3066
Depreciation of Fixed Assets	4044	29137
Interest Payable and Similar Charges (Note 5)	<u>6932</u>	<u>12584</u>

3. STAFF COSTS

	<u>1998</u>	<u>1997</u>
a) The average number of persons employed by the Company during the year (excluding Directors) was:		
Administration and Distribution	5	7
b) Employment costs for above persons:		
Salaries and Wages	70120	84197
National Insurance Costs	<u>6456</u>	<u>7925</u>
	<u>76576</u>	<u>92122</u>

SWANSEA HYDRAULICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 1998****4. DIRECTORS EMOLUMENTS**

	<u>1998</u>	<u>1997</u>
Salaries	<u>2151</u>	<u>3066</u>

The directors did not receive any other benefits from the Company.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1998</u>	<u>1997</u>
On Hire Purchase Contracts	2637	5468
On Bank Overdraft Repayable within five years	<u>4295</u>	<u>7116</u>
	<u>6932</u>	<u>12584</u>

6. TAXATION

Based on the adjusted results of the year, the Company has no Corporation Tax liability.

7. FIXED ASSETS**Tangible Assets**

	<u>Premises & Fittings</u>	<u>Plant & Equipment</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
<u>COST</u>				
At 1st May 1997	21551	74945	76940	173436
Disposals during the year	<u>-</u>	<u>(63945)</u>	<u>(60092)</u>	<u>(124037)</u>
	<u>21551</u>	<u>11000</u>	<u>16848</u>	<u>49399</u>
<u>DEPRECIATION</u>				
At 1st May 1997	14731	29914	31105	75750
Charge for the year	1402	1100	1542	4044
Released on Disposal	<u>-</u>	<u>(20854)</u>	<u>(24977)</u>	<u>(45831)</u>
	<u>16133</u>	<u>10160</u>	<u>7670</u>	<u>33963</u>
<u>NET BOOK VALUE</u>				
At 30th April 1998	<u>5418</u>	<u>840</u>	<u>9178</u>	<u>15436</u>
At 30th April 1997	<u>6820</u>	<u>45031</u>	<u>45835</u>	<u>97686</u>

SWANSEA HYDRAULICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 1998**

8.	<u>DEBTORS</u>	<u>1998</u>	<u>1997</u>
	Amounts falling due within one year:		
	Trade Debtors	173360	77081
	Due from Related Companies	27103	2025
	Other Debtors	-	10209
		<u>200463</u>	<u>89315</u>
9.	<u>CREDITORS</u>	<u>1998</u>	<u>1997</u>
	Amounts falling due within one year:		
	Bank Overdraft	285	116640
	Hire Purchase Repayments	26663	12005
	Trade Creditors	19747	36852
	Due to Related Companies	40405	36978
	Taxation and Social Security	6022	5199
	Alex Lawrie Factors	40334	42521
	Other Creditors	-	358
	Accruals	3056	3750
		<u>136512</u>	<u>254303</u>
	Amounts falling due after more than one year:		
	Hire Purchase Agreements	304	26967
	Directors Loan	17000	17000
	Other Loans	211967	85360
		<u>229271</u>	<u>129327</u>
10.	<u>CALLED UP SHARE CAPITAL</u>	<u>1998</u>	<u>1997</u>
	Authorised:		
	1000 Ordinary Shares of £1 each	1000	1000
	Issued:		
	1000 Ordinary Shares of £1 each	1000	1000

SWANSEA HYDRAULICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 1998****11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS**

	Issued Share <u>Capital</u>	Profit & Loss	1998 <u>Total</u>	1997 <u>Total</u>
Net Profit	-	35205	35205	11340
Balance 1st May 1997	<u>1000</u>	<u>(80102)</u>	<u>(79102)</u>	<u>(90442)</u>
Balance 30th April	<u>1000</u>	<u>(44897)</u>	<u>(43897)</u>	<u>(79102)</u>

13. RELATED PARTY TRANSACTIONS

The Company is controlled by its directors and shareholders. The directors hold positions as directors of other related companies. These companies do not form a group as defined by Company legislation and consolidated financial statements are not prepared.

During the year the Company traded with these related companies on normal terms it also rendered or received services and provided or received financial support:-

- e) Sales to these related companies amounted to £28,525, purchases amounted to £37,885.
- f) The amount due to or from these related companies at the Balance Sheet date are shown in notes 8 and 9 to the financial statements. No write off or provisions for doubtful debts have been made against debts due from related companies.
- g) The Company has given guarantees in respect of the bank borrowings of the following related companies:-
 - Control Gear Limited
 - Control Gear (Hoses) Limited
 - Control Gear (Hydraulics) Limited
 - Control Gear (Filtration) Limited
 - Control Gear (Pipeline Accessories) Limited
 - Control Gear (Processing) Limited
 - Control Gear (International) Limited
 - Enterprise Pneumatic Services Limited

The directors are of the opinion that no liabilities will materialise under these guarantees.

- h) Where related companies share trading premises, rent and charges for the provision of services is paid or received where appropriate.

Loans from directors are shown in note 9 to the financial statements. There were no other transactions with any director of the Company during the year.