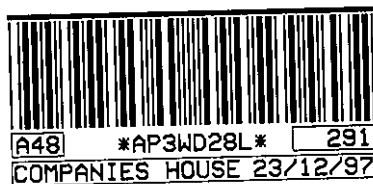


**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28TH FEBRUARY 1997  
FOR  
TESTED SPRING COMPANY LIMITED**

Henn & Westwood  
Chartered Accountants  
Rumbow House  
Rumbow, Halesowen  
West Midlands  
B63 3HU



**TESTED SPRING COMPANY LIMITED**

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for the Year Ended 28th February 1997**

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**TESTED SPRING COMPANY LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 28th February 1997**

**DIRECTORS:** P N Woodward Esq.  
Mrs. M Woodward

**SECRETARY:** M Woodward

**REGISTERED OFFICE:** 20 Hainge Road  
Tividale  
Warley  
West Midlands  
B69 2NG

**REGISTERED NUMBER:** 00437480 (England and Wales)

**AUDITORS:** Henn & Westwood  
Chartered Accountants  
Rumbow House  
Rumbow, Halesowen  
West Midlands  
B63 3HU

# TESTED SPRING COMPANY LIMITED

## REPORT OF THE DIRECTORS for the Year Ended 28th February 1997

The directors present their report with the financial statements of the company for the year ended 28th February 1997.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturers of springs within the United Kingdom.

### DIRECTORS

The directors during the year under review were:

P N Woodward Esq.  
Mrs. M Woodward

The beneficial interests of the directors holding office on 28th February 1997 in the issued share capital of the company were as follows:

	28.2.97	1.3.96
Ordinary £1 shares		
P N Woodward Esq.	1,333	1,333
Mrs. M Woodward	1,334	1,334

### STATEMENT OF 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 judgments 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.

### AUDITORS

The company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Henn & Westwood will continue in office.

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:



M Woodward – SECRETARY

Dated: 12th December 1997

**TESTED SPRING COMPANY LIMITED**

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
TESTED SPRING COMPANY LIMITED**

We have audited the financial statements on pages four to nine which have been prepared under the historical cost convention and the accounting policies set out on page six.

**Respective responsibilities of directors and auditors**

As described on page two 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 judgments 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 28th February 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Henn & Westwood  
Chartered Accountants  
Rumbow House  
Rumbow, Halesowen  
West Midlands  
B63 3HU

Dated: 12th December 1997

**TESTED SPRING COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT  
for the Year Ended 28th February 1997**

		<u>1997</u>	<u>1996</u>
	Notes	£	£
<b>TURNOVER</b>	2	464,710	438,538
Cost of sales		<u>355,304</u>	<u>353,440</u>
<b>GROSS PROFIT</b>		109,406	85,098
Administrative expenses		<u>71,646</u>	<u>68,355</u>
<b>OPERATING PROFIT</b>	4	37,760	16,743
Interest receivable and similar income	5	<u>2,142</u>	<u>2,268</u>
		39,902	19,011
Interest payable and similar charges		<u>1</u>	<u>26</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		39,901	18,985
Tax on profit on ordinary activities	6	<u>9,558</u>	<u>4,700</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		30,343	14,285
Dividends	7	<u>22,500</u>	<u>8,000</u>
		7,843	6,285
Retained profit brought forward		<u>146,421</u>	<u>140,136</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>£154,264</u></u>	<u><u>£146,421</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

**TESTED SPRING COMPANY LIMITED**

**BALANCE SHEET**  
**28th February 1997**

		<u>1997</u>		<u>1996</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	8		17,431		25,588
<b>CURRENT ASSETS:</b>					
Stocks	9	2,500		2,500	
Debtors	10	120,642		133,228	
Cash at bank and in hand		112,208		62,127	
		<u>235,350</u>		<u>197,855</u>	
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>94,228</u>		<u>72,723</u>	
<b>NET CURRENT ASSETS:</b>			<u>141,122</u>		<u>125,132</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			158,553		150,720
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	12		1,289		1,299
			<u>£157,264</u>		<u>£149,421</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	13		3,000		3,000
Profit and loss account			154,264		146,421
Shareholders' funds	14		<u>£157,264</u>		<u>£149,421</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.

ON BEHALF OF THE BOARD:

  
P N Woodward Esq. - DIRECTOR

Approved by the Board on 12th December 1997

The notes form part of these financial statements

## TESTED SPRING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 28th February 1997

#### 1. ACCOUNTING POLICIES

##### Accounting convention

The financial statements have been prepared under the historical cost convention.

##### Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

##### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

##### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

##### Stocks

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

##### Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

##### Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

#### 2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

#### 3. STAFF COSTS

Staff costs include the following:

	1997	1996
	£	£
Pension costs (other than social security costs)	<u>6,575</u>	<u>6,273</u>



**TESTED SPRING COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 28th February 1997**

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	1997	1996
	£	£
Hire of plant and machinery	633	807
Depreciation – owned assets	3,812	6,675
Profit on disposal of fixed assets	(1,509)	(2,567)
Auditors' remuneration	4,500	4,000
	<u>15,425</u>	<u>11,800</u>

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	1997	1996
	£	£
Bank interest received	2,142	2,268
	<u>2,142</u>	<u>2,268</u>

**6. TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	1997	1996
	£	£
UK Corporation Tax	9,568	4,310
Deferred taxation	(10)	390
	<u>9,558</u>	<u>4,700</u>

UK Corporation Tax has been charged at 24% (1996 – 25%).

**7. DIVIDENDS**

	1997	1996
	£	£
Equity shares:		
Final – share type 1	22,500	8,000
	<u>22,500</u>	<u>8,000</u>

**TESTED SPRING COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 28th February 1997**

**8. TANGIBLE FIXED ASSETS**

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
<b>COST:</b>				
At 1st March 1996	18,776	9,022	49,995	77,793
Additions	-	1,646	-	1,646
Disposals	-	-	(35,000)	(35,000)
	<u>18,776</u>	<u>10,668</u>	<u>14,995</u>	<u>44,439</u>
At 28th February 1997	18,776	10,668	14,995	44,439
<b>DEPRECIATION:</b>				
At 1st March 1996	13,610	5,837	32,758	52,205
Charge for year	517	483	2,812	3,812
Eliminated on disposals	-	-	(29,009)	(29,009)
	<u>14,127</u>	<u>6,320</u>	<u>6,561</u>	<u>27,008</u>
At 28th February 1997	14,127	6,320	6,561	27,008
<b>NET BOOK VALUE:</b>				
At 28th February 1997	<u>4,649</u>	<u>4,348</u>	<u>8,434</u>	<u>17,431</u>
At 29th February 1996	<u>5,166</u>	<u>3,185</u>	<u>17,237</u>	<u>25,588</u>

**9. STOCKS**

	1997	1996
	£	£
Raw materials	<u>2,500</u>	<u>2,500</u>

**10. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1997	1996
	£	£
Trade debtors	119,638	132,092
Prepayments	1,004	1,136
	<u>120,642</u>	<u>133,228</u>

**11. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1997	1996
	£	£
Trade creditors	20,288	22,976
Directors current accounts	22,500	8,000
Other creditors	5,510	4,408
Social security & other taxes	26,741	24,000
Taxation	9,568	4,310
Accrued expenses	9,621	9,029
	<u>94,228</u>	<u>72,723</u>

**TESTED SPRING COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 28th February 1997**

**12. PROVISIONS FOR LIABILITIES AND CHARGES**

	1997	1996
	£	£
Deferred taxation	<u>1,289</u>	<u>1,299</u>
	Deferred taxation	
	£	
Balance at 1st March 1996	1,299	
Credit to profit and loss	<u>(10)</u>	
Balance at 28th February 1997	<u><u>1,289</u></u>	

**13. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	1997	1996
			£	£
3,000	Ordinary	£1	<u>3,000</u>	<u>3,000</u>

**14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1997	1996
	£	£
Profit for the financial year	30,343	14,285
Dividends	<u>(22,500)</u>	<u>(8,000)</u>
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	7,843	6,285
Opening shareholders' funds	<u>149,421</u>	<u>143,136</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u><u>157,264</u></u>	<u><u>149,421</u></u>
Equity interests	<u><u>157,264</u></u>	<u><u>149,421</u></u>