

Atkinson Equipment Limited

Company Number 1050233

1050233

ATKINSON EQUIPMENT LIMITED

REPORT AND ACCOUNTS

31st MARCH 2003



FINLEY & PARTNERS
Chartered Accountants
Tubs Hill House
London Road
Sevenoaks, Kent

ATKINSON EQUIPMENT LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with the audited consolidated financial statements for the year ended 31st March 2003.

ACTIVITIES

The principle activities of the group are those of marketing engineers, storage, warehousing, distribution and wholesaling agents.

RESULTS AND REVIEW OF BUSINESS

The group operating profit for the year, after taxation amounted to £303,956.
The directors do not recommend the payment of a dividend.

The directors have reviewed the state of the group's affairs and consider them to be satisfactory.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the year and their beneficial interests in the share capital of the company were as follows:

Ordinary shares of £1 each At 31st March 2003 and 1st April 2002

| | |
|------------------|-------|
| B R Atkinson | 810 |
| Mrs P J Atkinson | 770 |
| C R Atkinson | 1,645 |
| Mrs J E Atkinson | - |
| S P Merrifield | - |

ATKINSON EQUIPMENT LIMITED

REPORT OF THE DIRECTORS

(Continued)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the group and of the result for that year. In preparing those accounts, the directors are required to:

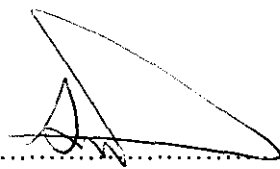
- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates which are reasonable and prudent,
- State whether applicable accounting standards have been followed,
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution proposing the reappointment of the auditors, Finley & Partners, will be submitted to the shareholders at the annual general meeting.

By order of the Board


.....
Secretary

13 January 2004

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
ATKINSON EQUIPMENT LIMITED**

We have audited the group financial statements of Atkinson Equipment Limited for the year ended 31st March 2003 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement and related notes. These financial statements have been prepared 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 directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of group financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the group 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 group 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 group financial statements, if the company and the group have 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 and the group are not disclosed.

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

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
ATKINSON EQUIPMENT LIMITED**

(Continued)

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 group financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the group financial statements, and of whether the accounting policies are appropriate to the group'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 group 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 group and the company's affairs as at 31st March 2003 and of the group's result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



FINLEY & PARTNERS
Registered Auditor
Chartered Accountants
Sevenoaks, Kent.

13
January 2004

ATKINSON EQUIPMENT LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2003

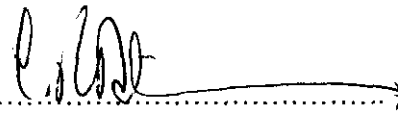

| | Notes | £ | 2003 £ | £ | 2002 £ |
|--|-------|-----------|-------------|----------|-------------|
| TURNOVER | 2 | | 10,889,340 | | 9,762,006 |
| Cost of sales | | | 8,755,640 | | 7,892,341 |
| | | | <hr/> | | <hr/> |
| GROSS PROFIT | | | 2,133,700 | | 1,869,665 |
| Distribution costs | | 717,921 | | 651,195 | |
| Administrative expenses | | 991,380 | | 983,952 | |
| | | <hr/> | 1,709,301 | <hr/> | 1,635,147 |
| | | | <hr/> | | <hr/> |
| OPERATING PROFIT | 3 | | 424,399 | | 234,518 |
| Interest receivable and similar income | 7 | | 17,630 | | 17,994 |
| | | | <hr/> | | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | | 442,029 | | 252,512 |
| Taxation | 8 | | 138,073 | | 23,426 |
| | | | <hr/> | | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | | 303,956 | | 229,086 |
| Minority interests | | - | | 1,414 | |
| Goodwill written off | | 5,242 | | - | |
| | | <hr/> | 5,242 | <hr/> | 1,414 |
| | | | <hr/> | | <hr/> |
| | | | 298,714 | | 227,672 |
| PROFIT FOR THE FINANCIAL YEAR | | | | | |
| Arising in: Parent company | | (37,891) | | (6,678) | |
| Subsidiary undertaking | | 336,605 | | 234,350 | |
| | | <hr/> | | <hr/> | |
| | | 298,714 | | 227,672 | |
| | | <hr/> | | <hr/> | |
| Retained profit brought forward | | | 2,345,542 | | 2,117,870 |
| | | | <hr/> | | <hr/> |
| RETAINED PROFIT CARRIED FORWARD | | | £ 2,644,256 | | £ 2,345,542 |
| | | | <hr/> | | <hr/> |

All of the operations of the company and the group are classed as continuing.

The company and the group have no recognised gains or losses other than the result for the year.

ATKINSON EQUIPMENT LIMITED
CONSOLIDATED BALANCE SHEET
AT 31st MARCH 2003

| | Notes | £ | 2003 £ | £ | 2002 £ |
|---|-------|-----------|-------------|-----------|-------------|
| TANGIBLE FIXED ASSETS | 9 | | 1,728,171 | | 1,611,511 |
| CURRENT ASSETS | | | | | |
| Stock and work in progress | | 868,935 | | 697,385 | |
| Debtors | 11 | 1,997,731 | | 1,764,245 | |
| Investments | | 38,688 | | 51,599 | |
| Cash at bank and in hand | | 888,261 | | 574,062 | |
| | | | | | |
| | | | 3,793,615 | 3,087,291 | |
| CREDITORS: amounts falling due within one year | 12 | 2,758,965 | | 2,251,502 | |
| | | | | | |
| NET CURRENT ASSETS | | | 1,034,650 | | 835,789 |
| | | | | | |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 2,762,821 | | 2,447,300 |
| | | | | | |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | | | |
| Deferred taxation | | | 115,065 | | 94,500 |
| | | | | | |
| | | | £ 2,647,756 | | £ 2,352,800 |
| | | | | | |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 13 | | 3,225 | | 3,225 |
| Capital redemption reserve fund | 14 | | 275 | | 275 |
| Profit and loss account | | | 2,644,256 | | 2,345,542 |
| Minority interests | | | - | | 3,758 |
| | | | | | |
| Shareholders' funds | | | £ 2,647,756 | | £ 2,352,800 |

)Directors

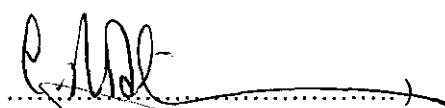

Approved by the Board: 13 January 2004

ATKINSON EQUIPMENT LIMITED

BALANCE SHEET

AT 31ST MARCH 2003

| | Notes | £ | 2003 £ | £ | 2002 £ |
|--|-------|-----------|-------------|-----------|-------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | | 1,415,382 | | 1,314,108 |
| Investment | 10 | | 70,050 | | 61,050 |
| | | | <hr/> | | <hr/> |
| | | | 1,485,432 | | 1,375,158 |
| CURRENT ASSETS | | | | | |
| Stock and work in progress | | 308,561 | | 212,435 | |
| Debtors | 11 | 1,032,539 | | 857,232 | |
| Investments | | 38,688 | | 51,599 | |
| Cash at bank and in hand | | 108,079 | | 1,114 | |
| | | | <hr/> | <hr/> | |
| | | | 1,487,867 | 1,122,380 | |
| CREDITORS: Amounts falling due within one year | 12 | 881,373 | | 633,228 | |
| | | | <hr/> | <hr/> | |
| NET CURRENT ASSETS | | | 606,494 | | 489,152 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <hr/> | <hr/> | <hr/> |
| | | | 2,091,926 | | 1,864,310 |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | | | |
| Deferred taxation | | | 87,265 | | 77,000 |
| | | | <hr/> | <hr/> | <hr/> |
| | | | £ 2,004,661 | | £ 1,787,310 |
| | | | <hr/> | <hr/> | <hr/> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 13 | | 3,225 | | 3,225 |
| Capital redemption reserve fund | 14 | | 275 | | 275 |
| Profit and loss account | | | 2,001,161 | | 1,783,810 |
| | | | <hr/> | <hr/> | <hr/> |
| Shareholders' funds | | | £ 2,004,661 | | £ 1,787,310 |
| | | | <hr/> | <hr/> | <hr/> |



) Directors

Approved by the Board: 13 January 2004

ATKINSON EQUIPMENT LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2003

| | 2003 | | 2002 | |
|--|-------------|-----------|-------------|-----------|
| | £ | £ | £ | £ |
| OPERATING PROFIT | | 424,399 | | 234,518 |
| Depreciation | 209,665 | | 211,039 | |
| Profit on disposal of tangible fixed assets | (390) | | (15,658) | |
| Movement in stocks | (171,550) | | (30,722) | |
| Movement in debtors | (233,486) | | 6,227 | |
| Movement in creditors | 450,963 | | 294,168 | |
| | <hr/> | 255,202 | <hr/> | 465,054 |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | <hr/> | | <hr/> |
| | | 679,601 | | 699,572 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | | |
| Interest received and similar income | 17,630 | | 17,994 | |
| Investments | 12,911 | | 4,162 | |
| | <hr/> | 30,541 | <hr/> | 22,156 |
| TAXATION | | (61,008) | | (86,426) |
| CAPITAL EXPENDITURE | | | | |
| Payments to acquire tangible fixed assets | (345,210) | | (332,381) | |
| Receipts from sales of tangible fixed assets | 19,275 | | 82,675 | |
| | <hr/> | (325,935) | <hr/> | (249,706) |
| NET CASH INFLOW BEFORE FINANCING | | <hr/> | | <hr/> |
| | | 323,199 | | 385,596 |
| Minority interest dividend | (-) | | (900) | |
| Minority interest acquisition | (9,000) | | (-) | |
| | <hr/> | (9,000) | <hr/> | (900) |
| CHANGE IN BANK AND CASH | | <hr/> | | <hr/> |
| | | 314,199 | | 384,696 |
| BANK AND CASH BROUGHT FORWARD | | <hr/> | | <hr/> |
| | | 574,062 | | 189,366 |
| BANK AND CASH BALANCES AT THE YEAR END | | <hr/> | | <hr/> |
| | | £ 888,261 | | £ 574,062 |
| | | <hr/> | | <hr/> |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Accounting convention

The group financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary at 31st March 2003 and are prepared in accordance with group accounting policies. Atkinson Equipment Limited has taken advantage of the legal dispensation under Section 230 of the Companies Act 1985 allowing it not to publish a separate profit and loss account.

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 estimated useful life as follows:

| | | |
|------------------------------|---|----------------------------|
| Long leasehold buildings | - | over the term of the lease |
| Plant, fixtures and fittings | - | 10% and 20% per annum |
| Motor vehicles | - | 25% and 35% per annum |

Investment property

Investment properties are revalued annually and the aggregate surplus or deficit is transferred to revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 1985 requires all properties to be depreciated. However this requirement conflicts with the generally accepted accounting. The directors consider that because the property is not held for consumption but for its investment potential, to depreciate it would not give a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Deferred taxation

Tax deferred by the effect of timing differences is accounted for in full under the liability method.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

1. ACCOUNTING POLICIES (continued)

Foreign currencies

Assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the exchange rate in operation on the date on which the transaction occurred. Exchange differences are taken to the profit and loss account.

Investments

Investments held on recognised stock exchanges are stated at the lower of cost and net realisable value.

Goodwill on consolidation

Goodwill arising on consolidation, consisting of the excess of the fair value of consideration over the fair value of the tangible assets of the subsidiary at the date of acquisition has been written off in full against consolidated reserves.

2. TURNOVER

Group turnover comprises the invoice value of goods and services supplied, exclusive of value added tax and inter-company transactions. The turnover and result before taxation are attributable to the principal activities of the group which are carried on in the United Kingdom.

Turnover comprises the following activities

| | 2003 £ | 2002 £ |
|-------------------------------------|--------------|-------------|
| Marketing engineers | 2,560,836 | 2,408,544 |
| Distribution and wholesaling agents | 8,328,504 | 7,353,462 |
| | <hr/> | <hr/> |
| | £ 10,889,340 | £ 9,762,006 |
| | <hr/> | <hr/> |

3. OPERATING PROFIT

| | Notes | 2003 £ | 2002 £ |
|---|-------|-----------|-----------|
| Operating profit is stated after charging: | | | |
| Auditors' remuneration | | 15,000 | 15,000 |
| Depreciation and profit on disposals | | 209,275 | 195,381 |
| Staff costs | 4 | 1,928,593 | 1,770,104 |
| Directors' remuneration and pension contributions | 6 | 453,973 | 457,588 |
| | | <hr/> | <hr/> |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

4. STAFF COSTS

| | 2003 | 2002 |
|---|--------------------|--------------------|
| | £ | £ |
| Staff costs, excluding directors, may be analysed as follows: | | |
| Wages and salaries | 1,692,730 | 1,555,462 |
| Social security costs (including directors) | 221,490 | 203,272 |
| Pension contributions | 14,373 | 11,370 |
| | <hr/> | <hr/> |
| | £ 1,928,593 | £ 1,770,104 |
| | <hr/> | <hr/> |
| The average weekly number of employees during the year was | 87 | 85 |
| | <hr/> | <hr/> |

5. PENSION SCHEME

The group operates defined contribution pension schemes, the assets of which are held separately from those of the group in independently administered funds. Contributions to the schemes are recognised in the period in which they are incurred and amounted to £39,641 in the year ended 31st March 2003 (2002: £41,335).

6. DIRECTORS' REMUNERATION

The remuneration of the highest paid director was as follows:

| | 2003 | 2002 |
|-----------------------|-------------|-------------|
| | | |
| Remuneration | £ 127,206 | £ 158,732 |
| | <hr/> | <hr/> |
| Pension contributions | £ 4,853 | £ 9,410 |
| | <hr/> | <hr/> |

7. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2003 | 2002 |
|-----------------------------------|-----------------|-----------------|
| | £ | £ |
| Interest and dividends receivable | 12,410 | 13,173 |
| Rent receivable | 5,220 | 4,821 |
| | <hr/> | <hr/> |
| | £ 17,630 | £ 17,994 |
| | <hr/> | <hr/> |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

8. TAXATION

| | 2003 | 2002 |
|--|------------------|-----------------|
| | £ | £ |
| Current tax charge for the year | 121,500 | 65,000 |
| Transfer to/(from) deferred taxation account | 20,565 | (38,000) |
| Prior years' adjustment | (3,992) | (3,574) |
| | <u>£ 138,073</u> | <u>£ 23,426</u> |

Reconciliation of current tax charge for the year

| | 2003 | 2002 |
|---|------------------|------------------|
| | £ | £ |
| Profit on ordinary activities | <u>442,029</u> | <u>252,512</u> |
| Taxation on ordinary activities at 30% | 132,610 | 75,750 |
| Effects of: | | |
| Non deductible expenses | 8,605 | 4,900 |
| Excess of capital allowances over depreciation | (10,565) | (3,000) |
| Marginal rate relief | (9,150) | (12,650) |
| | <u>(11,110)</u> | <u>(10,750)</u> |
| | <u>£ 121,500</u> | <u>£ 65,000</u> |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

9. TANGIBLE FIXED ASSETS

(a) The Group

| | Freehold Investment Properties | Long Leasehold Buildings | Plant Fixtures & Fittings | Motor Vehicles | Total |
|--------------------------------|---|---|--|---------------------------|--------------|
| | £ | £ | £ | £ | £ |
| Cost: | | | | | |
| At 1 st April 2002 | 289,715 | 634,690 | 1,132,944 | 636,356 | 2,693,705 |
| Additions | 2,257 | 5,221 | 171,765 | 165,967 | 345,210 |
| Disposals | (-) | (-) | (13,307) | (43,653) | (56,960) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2003 | 291,972 | 639,911 | 1,291,402 | 758,670 | 2,981,955 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation: | | | | | |
| At 1 st April 2002 | - | 85,888 | 669,775 | 326,531 | 1,082,194 |
| Charge for the year | - | 7,548 | 104,329 | 97,788 | 209,665 |
| Eliminated on Disposals | (-) | (-) | (13,305) | (24,770) | (38,075) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2003 | - | 93,436 | 760,799 | 399,549 | 1,253,784 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value: | | | | | |
| At 31 st March 2003 | £ 291,972 | £ 546,475 | £ 530,603 | £ 359,121 | £ 1,728,171 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2002 | £ 289,715 | £ 548,802 | £ 463,169 | £ 309,825 | £ 1,611,511 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

9. TANGIBLE FIXED ASSETS (continued)

(b) Parent company

| | Freehold Investment Properties | Long Leasehold Buildings | Plant Fixtures & Fittings | Motor Vehicles | Total |
|--------------------------------|---|---|--|---------------------------|--------------|
| | £ | £ | £ | £ | £ |
| Cost: | | | | | |
| At 1 st April 2002 | 289,715 | 634,690 | 928,357 | 198,641 | 2,051,403 |
| Additions | 2,257 | 5,221 | 145,702 | 84,239 | 237,419 |
| Disposals | (-) | (-) | (4,907) | (43,653) | (48,560) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2003 | 291,972 | 639,911 | 1,069,152 | 239,227 | 2,240,262 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation: | | | | | |
| At 1 st April 2002 | - | 85,888 | 543,388 | 108,019 | 737,295 |
| Charge for the year | - | 7,548 | 75,638 | 34,075 | 117,261 |
| Eliminated on Disposals | (-) | (-) | (4,906) | (24,770) | (29,676) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2003 | - | 93,436 | 614,120 | 117,324 | 824,880 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value: | | | | | |
| At 31 st March 2003 | £ 291,972 | £ 546,475 | £ 455,032 | £ 121,903 | £ 1,415,382 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 st March 2002 | £ 289,715 | £ 548,802 | £ 384,969 | £ 90,622 | £ 1,314,108 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

10. INVESTMENT

The investment in the subsidiary undertaking represents the cost of 100% of the issued share capital of Taylor Davis Limited, a company registered in England and Wales.

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

11. DEBTORS

| | 2003 | | 2002 | |
|---------------------------------------|--------------|----------------|--------------|----------------|
| | Group | Company | Group | Company |
| | £ | £ | £ | £ |
| Amount owed by subsidiary undertaking | - | 249,995 | - | 232,894 |
| Trade debtors | 1,938,963 | 496,292 | 1,717,325 | 440,270 |
| Prepayments | 58,768 | 21,252 | 46,920 | 19,968 |
| Other debtors | - | 15,000 | - | 15,000 |
| Dividend receivable | - | 250,000 | - | 149,100 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | £ 1,997,731 | £ 1,032,539 | £ 1,764,245 | £ 857,232 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

12. CREDITORS: Amounts falling due within one year

| | 2003 | | 2002 | |
|------------------------------|--------------|----------------|--------------|----------------|
| | Group | Company | Group | Company |
| | £ | £ | £ | £ |
| Bank overdraft (secured) | - | - | - | 39,102 |
| Trade creditors | 1,841,899 | 481,847 | 1,461,968 | 216,244 |
| Taxation and social Security | 550,205 | 132,729 | 456,431 | 110,301 |
| Accruals | 366,861 | 266,797 | 333,103 | 267,581 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | £ 2,758,965 | £ 881,373 | £ 2,251,502 | £ 633,228 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

13. SHARE CAPITAL

| | 2003 | | 2002 | |
|----------------------------------|-------------|-------|-------------|-------|
| Authorised | | | | |
| 5,000 Ordinary shares of £1 each | £ | 5,000 | £ | 5,000 |
| | <hr/> | | <hr/> | |
| Allotted, issued and fully paid | | | | |
| 3,225 Ordinary shares of £1 each | £ | 3,225 | £ | 3,225 |
| | <hr/> | | <hr/> | |

ATKINSON EQUIPMENT LIMITED

NOTES TO THE ACCOUNTS

(Continued)

14. CAPITAL REDEMPTION RESERVE FUND

The reserve fund represents the nominal amount of the company's own shares which have been acquired.

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

| | 2003 | | 2002 | |
|-------------------------------|--------------|----------------|--------------|----------------|
| | Group | Company | Group | Company |
| | £ | £ | £ | £ |
| Shareholders' funds at | | | | |
| 1 st April 2002 | 2,352,800 | 1,787,310 | 2,124,614 | 1,644,888 |
| Profit on ordinary activities | 442,029 | (38,994) | 252,512 | (46,004) |
| Taxation | (138,073) | 6,345 | (23,426) | 39,326 |
| Dividend receivable | - | 250,000 | - | 149,100 |
| Minority interest | (-) | (-) | (900) | (-) |
| Minority interest acquisition | (9,000) | (-) | (-) | (-) |
| Shareholders' funds at | <hr/> | <hr/> | <hr/> | <hr/> |
| 31 st March 2003 | £ 2,647,756 | £ 2,004,661 | £ 2,352,800 | £ 1,787,310 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

16. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

(a) The company has guaranteed any overdraft arising in the subsidiary undertaking.

(b) The subsidiary undertaking has given security to H M Customs & Excise in respect of deferred duty amounting to £20,000.