

T K COMPONENTS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
For the year ended 31 July 1996

Registered number: 2320087 (England & Wales)

MOSS & WILLIAMSON
CHARTERED ACCOUNTANTS



T K COMPONENTS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 July 1996

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T K COMPONENTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to
T K Components Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 - 5 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 July 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 July 1996, and the abbreviated financial statements on pages 2 - 5 have been properly prepared in accordance with that Schedule.

Other information

On 9 May 1997 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 July 1996, and our audit report was as follows:

'We have audited the financial statements on pages 5 - 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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.

T K COMPONENTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to
T K Components Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

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 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 error or other irregularity. 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 31 July 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'



Moss and Williamson
Chartered Accountants
Registered Auditors

3 Mellor Road
Cheadle Hulme
Stockport
SK8 5AT

9 May 1997

T K COMPONENTS LIMITED
ABBREVIATED BALANCE SHEET

at 31 July 1996

	Note	£	1996 £	£	1995 £
Fixed assets					
Tangible assets	2		102,264		136,594
Current assets					
Stocks		180,750		136,518	
Debtors	3	239,446		215,982	
Cash at bank and in hand		121,190		77,914	
		<u>541,386</u>		<u>430,414</u>	
Creditors: amounts falling due within one year	4	(449,646)		(425,043)	
Net current assets			<u>91,740</u>		<u>5,371</u>
Total assets less current liabilities			<u>194,004</u>		<u>141,965</u>
Creditors: amounts falling due after more than one year	4		<u>(1,438)</u>		<u>(7,445)</u>
			<u>192,566</u>		<u>134,520</u>
Capital and reserves					
Called up share capital	5		900		900
Profit and loss account			<u>191,666</u>		<u>133,620</u>
Total shareholders' funds			<u>192,566</u>		<u>134,520</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.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 - 5 were approved by the board of directors on 9 May 1997 and signed on its behalf by:

.....
T Kelly
Chairman

The notes on pages 3 - 5 form part of these abbreviated financial statements.

T K COMPONENTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 July 1996

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. All of the company's activities are continuing.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Turnover

Turnover represents the net amount of invoices to customers excluding value added tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Freehold land	Nil
Freehold buildings	2% on cost
Plant and machinery	15% on reducing balance
Motor vehicles	25% on reducing balance
Fixtures and fittings	15% on reducing balance

Government grants

Government grants received in respect of capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving stock. Net realisable value is based on estimated selling price less the estimated cost of disposal.

T K COMPONENTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 July 1996

1 Accounting policies (continued)

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

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

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Fixed assets

	Tangible fixed assets £
Cost or valuation	
1 August 1995	184,408
Additions	67,073
Disposals	(91,261)
31 July 1996	160,220
Depreciation	
1 August 1995	47,814
Charge for year	27,363
Disposals	(17,221)
31 July 1996	57,956
Net book amount	
31 July 1996	102,264
1 August 1995	136,594

3 Debtors

	1996 £	1995 £
Amounts falling due within one year	239,446	215,982

T K COMPONENTS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 July 1996

4 Creditors

	1996 £	1995 £
Creditors include the following amounts:		
Secured creditors	<u>-</u>	<u>43,604</u>

5 Called up share capital

	1996 £	1995 £
Authorised		
Equity shares		
10,000 £1 ordinary shares	<u>10,000</u>	<u>10,000</u>
Allotted called up and fully paid		
Equity shares		
900 £1 ordinary shares	<u>900</u>	<u>900</u>