

COMPANY REGISTRATION NUMBER 326209

R C Cutting and Co Limited
Abbreviated Accounts
For
31 December 2005



MACINTYRE HUDSON LLP

Chartered Accountants & Registered Auditors
Euro House
1394 High Road
London
N20 9YZ

R C Cutting and Co Limited

Abbreviated Accounts

Year ended 31 December 2005

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R C Cutting and Co Limited

Independent Auditor's Report to R C Cutting and Co Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of R C Cutting and Co Limited for the year ended 31 December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

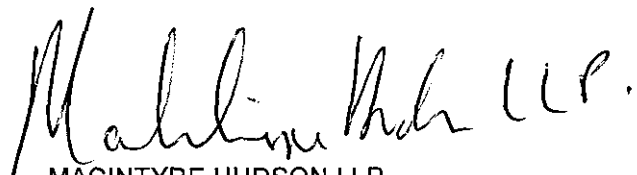
We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Euro House
1394 High Road
London
N20 9YZ

28 October 2006.



MACINTYRE HUDSON LLP
Chartered Accountants
& Registered Auditors

R C Cutting and Co Limited

Abbreviated Balance Sheet

31 December 2005

		2005		2004 (restated)
	Note	£	£	£
Fixed assets	1			
Tangible assets			500,782	524,303
Current assets				
Stocks		67,689		58,873
Debtors		785,195		743,745
Cash at bank and in hand		144,731		215,396
		997,615		1,018,014
Creditors: amounts falling due within one year		621,488		518,423
Net current assets			376,127	499,591
Total assets less current liabilities			876,909	1,023,894
Creditors: amounts falling due after more than one year	2		190,807	192,748
			686,102	831,146
Capital and reserves				
Called-up equity share capital	3		5,020	5,020
Share premium account			75	75
Other reserves			4,980	4,980
Profit and loss account			676,027	821,071
Shareholders' funds			686,102	831,146

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 19/10/06 and are signed on their behalf by:

Mr R G Hiscock
Director

The accounting policies and notes on pages 3 to 5 form part of these abbreviated accounts.

R C Cutting and Co Limited

Accounting Policies

Year ended 31 December 2005

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year exclusive of Value Added Tax, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold property	- 2% on cost
Plant and equipment	- 10% on written down value
Office furniture & equipment	- 20% on written down value
Motor vehicles	- 25% on written down value
Computer equipment	- 33 ⅓% on cost

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company's pension plans for its employees are money purchase schemes. Consequently, the annual instalments charged to the profit and loss account are fixed under the terms of the scheme and the company has no potential liability other than for the payment of those instalments.

R C Cutting and Co Limited

Accounting Policies (continued)

Year ended 31 December 2005

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

R C Cutting and Co Limited

Notes to the Abbreviated Accounts

Year ended 31 December 2005

1. Fixed assets

	Tangible Assets £
Cost	
At 1 January 2005	939,233
Additions	21,500
Disposals	(18,978)
At 31 December 2005	<u>941,755</u>
Depreciation	
At 1 January 2005	414,930
Charge for year	42,456
On disposals	(16,413)
At 31 December 2005	<u>440,973</u>
Net book value	
At 31 December 2005	<u>500,782</u>
At 31 December 2004	<u>524,303</u>

2. Creditors: amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005 £	2004 (restated) £
Other creditors including taxation and social security	<u>180,000</u>	<u>180,000</u>

3. Share capital

Authorised share capital:

	2005 £	2004 (restated) £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>5,020</u>	<u>5,020</u>	<u>5,020</u>	<u>5,020</u>