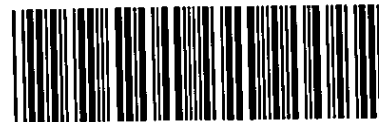


Company Registration No. 329992 (England and Wales)

**A G MAJOR LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

TUESDAY



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COMPANIES HOUSE

**A G MAJOR LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	K H Cobb B W Matheron (non executive) R A Matheron (Appointed 27 November 2006) S Matheron (Appointed 27 November 2006)
<b>Secretary</b>	B W Matheron
<b>Company number</b>	329992
<b>Registered office</b>	Sand Road Great Gransden Sandy Beds SG19 3AJ
<b>Auditors</b>	Mercer & Hole 72 London Road St Albans Herts AL1 1NS
<b>Business address</b>	Mill Lane Trading Estate Mill Lane Purley Way Croydon Surrey
<b>Bankers</b>	HSBC Bank plc Market Hill St Ives Huntingdon Cambs
<b>Solicitors</b>	Copleys Market Hill St Ives Huntingdon Cambs

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**A G MAJOR LIMITED**

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**A G MAJOR LIMITED**

**DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2007***

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The directors present their report and financial statements for the year ended 31 March 2007

**Principal activities and review of the business**

The principal activity of the company in the year under review was that of metal spinning and light engineering

The results for the year and the financial position at the year end were considered satisfactory by the directors

**Results and dividends**

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

**Directors**

The following directors have held office since 1 April 2006

K H Cobb

B W Matheron (non executive)

R A Matheron

S Matheron

(Appointed 27 November 2006)

(Appointed 27 November 2006)

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Mercer & Hole be reappointed as auditors of the company will be put to the Annual General Meeting

**A G MAJOR LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2007**

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**Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 judgements 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

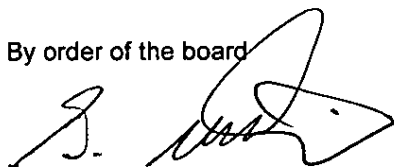
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



B W Matheron

**Secretary**

## **A G MAJOR LIMITED**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE SHAREHOLDERS OF A G MAJOR LIMITED**

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We have audited the financial statements of A G Major Limited for the year ended 31 March 2007 set out on pages 5 to 16. These financial statements have been prepared under 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 auditors' 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 the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records or, 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 other transactions is not disclosed.

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

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**A G MAJOR LIMITED**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE SHAREHOLDERS OF A G MAJOR LIMITED**

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**Opinion**

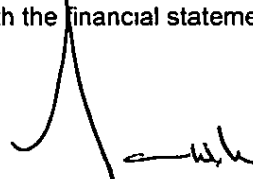
In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

**Mercer & Hole**

Chartered Accountants

Registered Auditor



24/1/08

72 London Road  
St Albans  
Herts  
AL1 1NS

**A G MAJOR LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	2007 £	2006 £
Turnover	2	1,371,686	1,286,629
Cost of sales		(955,834)	(988,580)
<b>Gross profit</b>		<b>415,852</b>	<b>298,049</b>
Distribution costs		(16,585)	(17,538)
Administrative expenses		(303,694)	(265,724)
<b>Operating profit</b>	3	<b>95,573</b>	<b>14,787</b>
Profit/loss on sale of tangible assets		-	1,200
<b>Profit on ordinary activities before interest</b>		<b>95,573</b>	<b>15,987</b>
Interest payable and similar charges	4	(29,553)	(29,312)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>66,020</b>	<b>(13,325)</b>
Tax on profit/(loss) on ordinary activities	5	-	(177)
<b>Profit/(loss) for the year</b>	13	<b>66,020</b>	<b>(13,502)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



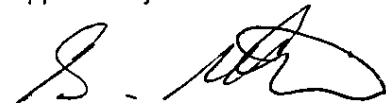
**A G MAJOR LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2007**

	Notes	2007 £	£	2006 £	£
<b>Fixed assets</b>					
Tangible assets	6		211,008		238,662
<b>Current assets</b>					
Stocks	7	75,029		60,910	
Debtors	8	336,294		326,489	
Cash at bank and in hand		321,073		215,429	
		<u>732,396</u>		<u>602,828</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(492,515)</u>		<u>(434,630)</u>	
<b>Net current assets</b>			239,881		168,198
<b>Total assets less current liabilities</b>			450,889		406,860
<b>Creditors: amounts falling due after more than one year</b>	10		(47,820)		(69,811)
<b>Provisions for liabilities</b>	11		(26,005)		(26,005)
			<u>377,064</u>		<u>311,044</u>
<b>Capital and reserves</b>					
Called up share capital	12		1,000		1,000
Profit and loss account	13		376,064		310,044
<b>Shareholders' funds</b>	14		<u>377,064</u>		<u>311,044</u>

Approved by the Board and authorised for issue on



B W Matheron  
Director

**A G MAJOR LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2007**

	£	2007 £	£	2006 £
<b>Net cash inflow from operating activities</b>		178,945		24,716
<b>Returns on investments and servicing of finance</b>				
Interest paid	(29,553)		(29,312)	
	<u></u>		<u></u>	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(29,553)		(29,312)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(9,672)		(23,121)	
Receipts from sales of tangible assets	-		1,200	
	<u></u>		<u></u>	
<b>Net cash outflow for capital expenditure</b>		(9,672)		(21,921)
		<u></u>		<u></u>
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		139,720		(26,517)
<b>Financing</b>				
Capital element of hire purchase contracts	(34,076)		(43,482)	
	<u></u>		<u></u>	
<b>Net cash outflow from financing</b>		(34,076)		(43,482)
		<u></u>		<u></u>
<b>Increase/(decrease) in cash in the year</b>		105,644		(69,999)
		<u></u>		<u></u>

**A G MAJOR LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2007**

1	Reconciliation of operating profit to net cash inflow from operating activities	2007	2006
		£	£
	Operating profit	95,573	14,787
	Depreciation of tangible assets	37,326	43,637
	(Increase)/decrease in stocks	(14,119)	6,137
	(Increase)/decrease in debtors	(9,805)	13,772
	Increase/(decrease) in creditors within one year	69,970	(53,617)
	<b>Net cash inflow from operating activities</b>	<b>178,945</b>	<b>24,716</b>

2	Analysis of net funds	1 April 2006	Cash flow	Other non-cash changes	31 March 2007
		£	£	£	£
	Net cash				
	Cash at bank and in hand	215,429	105,644	-	321,073
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(113,293)	34,076	-	(79,217)
	<b>Net funds</b>	<b>102,136</b>	<b>139,720</b>	<b>-</b>	<b>241,856</b>

3	Reconciliation of net cash flow to movement in net funds	2007	2006
		£	£
	Increase/(decrease) in cash in the year	105,644	(69,999)
	Cash outflow from decrease in debt and lease financing	34,076	43,481
	<b>Movement in net funds in the year</b>	<b>139,720</b>	<b>(26,518)</b>
	Opening net funds	102,136	128,654
	<b>Closing net funds</b>	<b>241,856</b>	<b>102,136</b>

## **A G MAJOR LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007**

---

#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

##### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

##### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Short leasehold land and buildings	Over the life of the lease
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

##### **1.5 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.6 Stock and work in progress**

Stocks have been valued by the Directors at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

The cost of work in progress represents labour and relevant production overheads.

##### **1.7 Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**A G MAJOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

<b>3</b>	<b>Operating profit</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging		
	Depreciation of tangible assets	37,326	43,637
	Operating lease rentals	50,000	43,875
	Auditors' remuneration	5,136	5,372
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	3,375	3,375
	Hire purchase interest	7,289	7,418
	Other interest	18,889	18,519
		<u>          </u>	<u>          </u>
		<u>29,553</u>	<u>29,312</u>

**A G MAJOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

<b>5 Taxation</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Domestic current year tax</b>		
Adjustment for prior years	-	5
	<hr/>	<hr/>
<b>Current tax charge</b>	-	5
<b>Deferred tax</b>		
Deferred tax charge/credit current year	-	172
	<hr/>	<hr/>
	-	177
	<hr/>	<hr/>
<b>Factors affecting the tax charge for the year</b>		
Profit/(loss) on ordinary activities before taxation	66,020	(13,325)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2006 - 19.00%)	12,544	(2,532)
	<hr/>	<hr/>
Effects of		
Non deductible expenses	14	11
Depreciation add back	7,092	8,291
Capital allowances	(5,570)	(7,383)
Tax losses utilised	(1,772)	1,618
Group relief surrendered/(received)	(12,308)	-
	<hr/>	<hr/>
	(12,544)	2,537
	<hr/>	<hr/>
<b>Current tax charge</b>	-	5
	<hr/>	<hr/>

**A G MAJOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**6 Tangible fixed assets**

	Short leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2006	64,225	661,635	41,811	14,995	782,666
Additions	-	9,672	-	-	9,672
At 31 March 2007	64,225	671,307	41,811	14,995	792,338
<b>Depreciation</b>					
At 1 April 2006	64,225	443,812	30,911	5,056	544,004
Charge for the year	-	33,066	1,776	2,484	37,326
At 31 March 2007	64,225	476,878	32,687	7,540	581,330
<b>Net book value</b>					
At 31 March 2007	-	194,429	9,124	7,455	211,008
At 31 March 2006	-	217,823	10,900	9,939	238,662

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £	Motor vehicles £	Total £
<b>Net book values</b>			
At 31 March 2007	143,184	7,454	150,638
At 31 March 2006	157,808	9,939	167,747
<b>Depreciation charge for the year</b>			
At 31 March 2007	24,024	2,485	26,509
At 31 March 2006	18,836	3,312	22,148

**A G MAJOR LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

<b>7</b>	<b>Stocks and work in progress</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Raw materials and consumables	28,009	13,964
	Work in progress	47,020	46,946
		<u>75,029</u>	<u>60,910</u>
<b>8</b>	<b>Debtors</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Trade debtors	330,349	310,004
	Amounts owed by parent and fellow subsidiary undertakings	3,861	1,015
	Prepayments and accrued income	2,084	15,470
		<u>336,294</u>	<u>326,489</u>
<b>9</b>	<b>Creditors amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Net obligations under hire purchase contracts	31,397	43,482
	Trade creditors	106,962	81,519
	Amounts owed to parent and fellow subsidiary undertakings	5,274	6,369
	Taxes and social security costs	57,100	53,502
	Other creditors	264,410	223,811
	Accruals and deferred income	27,372	25,947
		<u>492,515</u>	<u>434,630</u>



**A G MAJOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

<b>10 Creditors amounts falling due after more than one year</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	47,820	69,811
<b>Net obligations under hire purchase contracts</b>		
Repayable between one and five years	94,021	134,609
	94,021	134,609
Finance charges and interest allocated to future accounting periods	(14,804)	(21,316)
	79,217	113,293
Included in liabilities falling due within one year	(31,397)	(43,482)
	47,820	69,811
<b>11 Provisions for liabilities and charges</b>		
		<b>Deferred tax liability</b>
		<b>£</b>
Balance at 1 April 2006 & at 31 March 2007		26,005
<b>The deferred tax liability is made up as follows</b>		
	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	26,005	26,005
<b>12 Share capital</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000

**A G MAJOR LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**13 Statement of movements on profit and loss account**

	<b>Profit and loss account £</b>
Balance at 1 April 2006	310,044
Profit for the year	66,020
	<hr/>
Balance at 31 March 2007	376,064
	<hr/>

**14 Reconciliation of movements in shareholders' funds**

	<b>2007 £</b>	<b>2006 £</b>
Profit/(Loss) for the financial year	66,020	(13,502)
Opening shareholders' funds	311,044	324,546
	<hr/>	<hr/>
Closing shareholders' funds	377,064	311,044
	<hr/>	<hr/>

**15 Contingent liabilities**

The Company has given an unlimited multilateral guarantee to secure the bank borrowing of its holding company, Tracel Limited and Group Companies. The maximum amount guaranteed at 31 March 2007 amounted to £841,118. There were contingent liabilities at the year end for guarantees and warranties given in the normal course of trade.

**16 Financial commitments**

At 31 March 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2008:

	<b>2007 £</b>	<b>Other 2006 £</b>
Operating leases which expire		
Within one year	-	636
Between two and five years	2,160	916
	<hr/>	<hr/>
	2,160	1,552
	<hr/>	<hr/>

# A G MAJOR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

### 17 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Office and Management	5	5
Production	21	21
	<u>26</u>	<u>26</u>

#### Employment costs

	2007 £	2006 £
Wages and salaries	611,685	614,255
Social security costs	61,493	61,216
	<u>673,178</u>	<u>675,471</u>

### 18 Control

The ultimate parent company is Tracel Limited, a company registered in England. The ultimate controlling parties are K H Cobb and B W Matheron.

### 19 Related party transactions

The Company had transactions in the year with Tracel Limited, its Holding Company and with Preform Tools Limited and Monte Winding Company Limited, who are subsidiary companies belonging to the same group.

Transactions in the year and intercompany balances as at the balance sheet date with these related parties were as follows:

Sales to group companies totalled £13,294 (2006 £13,294), whilst purchases amounted to £16,121 (2006 £61,958). The Company also paid rent of £50,000 (2006 £43,875), equipment hire charges of £nil (2006 £nil) and management charges of £74,004 (2006 £74,000) to its parent company, Tracel Limited.

AG Major Limited were owed £1,069 (2006 £1,015) at the year end by the group, and owed in turn to group companies £5,274 (2006 £6,369).