

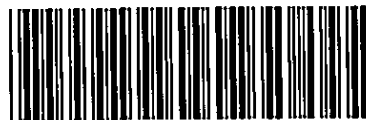
REGISTERED NUMBER: 00353436 (England and Wales)

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2010

FOR

FLAG PAINTS LIMITED

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FOR THE YEAR ENDED 31 MAY 2010**

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·FLAG PAINTS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2010**

DIRECTORS:

R J Brand
A F Grover
D C P Lewin
M J Noon

SECRETARY:

R J Brand

REGISTERED OFFICE.

8 Springfield Road
Springfield Industrial Estate
Burnham on Crouch
Essex
CM0 8UA

REGISTERED NUMBER:

00353436 (England and Wales)

ACCOUNTANT:

Lescott Noble Courts Limited
Chartered Certified Accountants
Unit 11 Mildmay House
Foundry Lane
Burnham on Crouch
Essex
CM0 8BL

**CHARTERED CERTIFIED ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
FLAG PAINTS LIMITED**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages three to seven) have been prepared.

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the financial statements of Flag Paints Limited for the year ended 31 May 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given me

As a practising member of the Association of Chartered Certified Accountants, I am subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com>

This report is made solely to the Board of Directors of Flag Paints Limited, as a body, in accordance with my terms of engagement. My work has been undertaken solely to prepare for your approval the financial statements of Flag Paints Limited and state those matters that I have agreed to state to the Board of Directors of Flag Paints Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for my work or for this report.

It is your duty to ensure that Flag Paints Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Flag Paints Limited. You consider that Flag Paints Limited is exempt from the statutory audit requirement for the year.

I have not been instructed to carry out an audit or a review of the financial statements of Flag Paints Limited. For this reason, I have not verified the accuracy or completeness of the accounting records or information and explanations you have given to me and I do not, therefore, express any opinion on the statutory financial statements.

Lescott Noble Courts Limited
Chartered Certified Accountants
Unit 11 Mildmay House
Foundry Lane
Burnham on Crouch
Essex
CM0 8BL

Date

FLAG PAINTS LIMITED

ABBREVIATED BALANCE SHEET
31 MAY 2010

| | Notes | 2010 £ | 2009 £ |
|--|-------|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible assets | 2 | 218,875 | 184,204 |
| Investments | 3 | <u>1</u> | <u>1</u> |
| | | 218,876 | 184,205 |
| CURRENT ASSETS | | | |
| Stocks | | 163,943 | 179,749 |
| Debtors | | 354,994 | 262,777 |
| Cash at bank and in hand | | <u>6,008</u> | <u>6,301</u> |
| | | 524,945 | 448,827 |
| CREDITORS | | | |
| Amounts falling due within one year | 4 | <u>324,428</u> | <u>316,410</u> |
| NET CURRENT ASSETS | | <u>200,517</u> | <u>132,417</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 419,393 | 316,622 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 4 | <u>118,799</u> | <u>100,312</u> |
| NET ASSETS | | <u><u>300,594</u></u> | <u><u>216,310</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 5 | 60,000 | 60,000 |
| Revaluation reserve | | 59,621 | 74,121 |
| Other reserves | | 86 | 86 |
| Profit and loss account | | <u>180,887</u> | <u>82,103</u> |
| SHAREHOLDERS' FUNDS | | <u><u>300,594</u></u> | <u><u>216,310</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2010

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2010 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

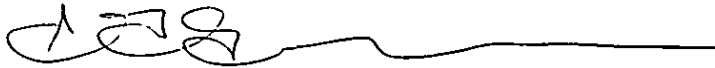
The notes form part of these abbreviated accounts

FLAG PAINTS LIMITED

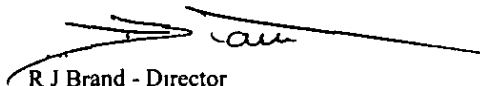
ABBREVIATED BALANCE SHEET - continued
31 MAY 2010

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 20 JULY 2010 and were signed on its behalf by



A F Grover - Director



R J Brand - Director

The notes form part of these abbreviated accounts

FLAG PAINTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Preparation of consolidated financial statements

The financial statements contain information about Flag Paints Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements

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 or, if held under a finance lease, over the lease term, whichever is the shorter

| | |
|-------------------------|---------------------------|
| Land and buildings | - 2% on cost |
| Plant and machinery etc | - 20% on reducing balance |

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Invoice discounting

The company discounts the majority of its sales invoices to its bankers. The risk of bad debts attached to the arrangement remains with the company. The amount of debts outstanding at the 31 May 2010 £23,686 (2009 £64,145)

FLAG PAINTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2010**

2 TANGIBLE FIXED ASSETS

| | Total £ |
|--------------------------|-----------------------|
| COST OR VALUATION | |
| At 1 June 2009 | 392,413 |
| Additions | 66,390 |
| Revaluations | (25,000) |
| At 31 May 2010 | <u>433,803</u> |
| DEPRECIATION | |
| At 1 June 2009 | 208,209 |
| Charge for year | 17,219 |
| Revaluation adjustments | (10,500) |
| At 31 May 2010 | <u>214,928</u> |
| NET BOOK VALUE | |
| At 31 May 2010 | <u><u>218,875</u></u> |
| At 31 May 2009 | <u><u>184,204</u></u> |

3 FIXED ASSET INVESTMENTS

| | Investments other than loans £ |
|-----------------------------------|--|
| COST OR VALUATION | |
| At 1 June 2009 and 31 May 2010 | <u>1</u> |
| NET BOOK VALUE | |
| At 31 May 2010 | <u><u>1</u></u> |
| At 31 May 2009 | <u><u>1</u></u> |

The company's investments at the balance sheet date in the share capital of companies include the following

Flag Brand Products Limited

Nature of business Dormant

| | % | | |
|--------------------------------|---------|-----------------|-----------------|
| Class of shares | holding | | |
| Ordinary | 100.00 | 2010 | 2009 |
| | | £ | £ |
| Aggregate capital and reserves | | <u><u>1</u></u> | <u><u>1</u></u> |

4 CREDITORS

Creditors include an amount of £123,853 (2009 - £179,919) for which security has been given

FLAG PAINTS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2010**

4 CREDITORS - continued

They also include the following debts falling due in more than five years

| | 2010 | 2009 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Repayable by instalments | <u>16,793</u> | <u>42,312</u> |

Details of shares shown as liabilities are as follows

| Allotted, issued and fully paid | | | 2010 | 2009 |
|---------------------------------|--------------------------------|---------------|------------|------------|
| Number | Class | Nominal value | £ | £ |
| 200 | B Redeemable Preference Shares | £1 | <u>200</u> | <u>200</u> |

The original preference share agreement ended 31 May 2009. The shares were not redeemed and now stand as part of the Company's share capital. The shares are redeemable (at par value) but no redemption date has been agreed. The shares have a priority over ordinary shares, in the event of an earlier winding-up (to the extent of their par value) and have no vote.

5 CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid | | | 2010 | 2009 |
|---------------------------------|----------|---------------|---------------|---------------|
| Number | Class | Nominal value | £ | £ |
| 60,000 | Ordinary | £1 | <u>60,000</u> | <u>60,000</u> |