

COMPANY REGISTRATION NUMBER 01179371

REGISTRAR

A F SWITCHGEAR LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

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COMPANIES HOUSE

LANGARD LIFFORD HALL LIMITED

Accountants and Statutory Auditors

Lifford Hall
Lifford Lane
Kings Norton
Birmingham
B30 3JN

A F SWITCHGEAR LIMITED
COMPANY INFORMATION

Incorporated	In England and Wales on 1 August 1974
The board of directors	I H Foster J R Bosworth M G Harris R Thompson
Company secretary	J R Bosworth
Registered office	Nunn Brook Road Sutton-in-Ashfield Nottinghamshire NG17 2HU
Auditor	Langard Lifford Hall Limited Accountants and Statutory Auditors Lifford Hall Lifford Lane Kings Norton Birmingham B30 3JN
Bankers	HSBC Bank Plc 1 King Street Alfreton Derbyshire DE55 7DB

A F SWITCHGEAR LIMITED

THE DIRECTORS' REPORT

Year ended 31 December 2011

The directors present their report and financial statements of the company for the year ended 31 December 2011

Principal activity and business review

The principal activity of the company continues to be that of the design and manufacture of electrical switchgear and control panel systems. The company's balance sheet as detailed on page 6 shows a satisfactory position, with shareholders' funds amounting to £3,625,175. The company has performed well during the year, returning a satisfactory increase in both turnover and profit.

Future developments

The directors are monitoring the ongoing trading conditions and are confident of maintaining the company's market share during the forthcoming year.

Results and dividends

The profit for the year, after taxation, amounted to £1,422,934. Particulars of dividends paid are detailed in note 8 to the financial statements. The company's key financial performance indicators during the year are as follows:

	2011 £000	2010 £000
Turnover	19,141	14,235
Gross profit %	24.4%	21.6%
Profit on ordinary activities before tax	1,908	493
Shareholder's funds	3,625	3,090

Financial risk management objectives and policies

The directors continually review the risks to the company but believe that the quality of the company's products and customer service will mitigate these risks, resulting in continued growth and satisfactory trading performance.

Directors and their interests

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

	At Class of share 31 December 2011	At 1 January 2011
I H Foster	Ordinary 100	100
J R Bosworth	-	-
M G Harris	-	-
R Thompson	-	-

Donations

During the year the company made the following contributions:

	2011 £	2010 £
Charitable	3,317	3,043

Auditor

Langard Lifford Hall Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Nunn Brook Road
Sutton-in-Ashfield
Nottinghamshire
NG17 2HU

Signed on behalf of the directors



J R Bosworth

Director

10 September 2012

A F SWITCHGEAR LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
Year ended 31 December 2011

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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

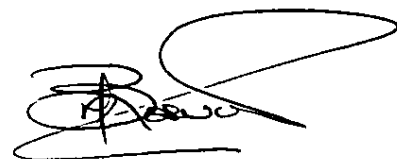
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Registered office
Nunn Brook Road
Sutton-in-Ashfield
Nottinghamshire
NG17 2HU

Signed on behalf of the directors



J R Bosworth
Company Secretary
10 September 2012

A F SWITCHGEAR LIMITED
INDEPENDENT AUDITOR'S REPORT TO A F SWITCHGEAR LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of A F Switchgear Limited for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 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 Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



K S CHAMBERS (Senior Statutory Auditor)
For and on behalf of
LANGARD LIFFORD HALL LIMITED
Accountants and Statutory Auditors
Lifford Hall
Lifford Lane
Kings Norton
Birmingham
B30 3JN

10 September 2012

A F SWITCHGEAR LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
Year ended 31 December 2011

	Note	2011 £	2010 £
Turnover		19,140,638	14,234,729
Cost of sales		<u>14,476,068</u>	<u>11,154,690</u>
Gross profit		4,664,570	3,080,039
Administrative expenses		<u>2,927,496</u>	<u>2,794,473</u>
Operating profit	2	1,737,074	285,566
Income from shares in group undertakings	5	170,000	225,000
Interest receivable		16,722	3,735
Interest payable and similar charges	6	<u>(15,824)</u>	<u>(21,580)</u>
Profit on ordinary activities before taxation		1,907,972	492,721
Tax on profit on ordinary activities	7	<u>485,038</u>	<u>102,006</u>
Profit for the financial year		<u>1,422,934</u>	<u>390,715</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 7 to 16 form part of these abbreviated accounts.

A F SWITCHGEAR LIMITED**ABBREVIATED BALANCE SHEET****31 December 2011**

	Note	2011 £	2010 £
Fixed assets			
Intangible assets	9	-	-
Tangible assets	10	276,878	350,530
Investments	11	110	110
		<u>276,988</u>	<u>350,640</u>
Current assets			
Stocks	12	588,972	1,178,544
Debtors	13	3,917,185	4,984,823
Cash at bank and in hand		3,212,905	1,519,715
		<u>7,719,062</u>	<u>7,683,082</u>
Creditors' amounts falling due within one year	14	<u>4,146,734</u>	<u>4,588,388</u>
Net current assets		<u>3,572,328</u>	<u>3,094,694</u>
Total assets less current liabilities		<u>3,849,316</u>	<u>3,445,334</u>
Creditors' amounts falling due after more than one year	15	<u>224,141</u>	<u>355,093</u>
		<u>3,625,175</u>	<u>3,090,241</u>
Capital and reserves			
Called-up equity share capital	20	5,000	5,000
Profit and loss account	21	3,620,175	3,085,241
Shareholder's funds	22	<u>3,625,175</u>	<u>3,090,241</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors on 10 September 2012 and are signed on their behalf by



I H Foster
Director

The notes on pages 7 to 16 form part of these abbreviated accounts.

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

Cash flow statement

The directors have taken exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cashflow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, has taken exemption from preparing consolidated accounts on the basis that its parent company prepares consolidated accounts that are publicly available. Accordingly, the company has taken advantage of the exemption in FRS8 from disclosing transactions with members of the group

Turnover

The turnover shown in the profit and loss account represents the realisable value of work undertaken during the year, exclusive of Value Added tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Patents - 10% pa straight line basis

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant and Machinery - 10-33 1/3% pa straight line basis

Motor Vehicles - 20-32 1/2% pa reducing balance basis

Stocks

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

Work in progress

Work in progress is stated at its realisable value based on the stage of completion

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 operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2011

Deferred taxation

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

Deferred tax is measured on an undiscounted basis at 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

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

Investments

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

Trade and other debtors

Trade and other debtors are recognised and carried forward at invoice amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

2. Operating profit

Operating profit is stated after charging/(crediting)

	2011	2010
	£	£
Depreciation of owned fixed assets	16,013	33,978
Depreciation of assets held under hire purchase agreements	31,418	44,477
Loss on disposal of fixed assets	4,115	8,863
Auditor's remuneration		
- as auditor	17,500	15,450
- for other services	3,335	3,319
Operating lease costs		
- Plant and equipment	7,009	6,745
- Other	212,512	209,900
Net (profit)/loss on foreign currency translation	<u>(57,311)</u>	<u>46,434</u>

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2011

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Number of production staff	51	50
Number of other staff	40	36
	<u>91</u>	<u>86</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	3,828,526	3,485,990
Social security costs	-	-
	<u>3,828,526</u>	<u>3,485,990</u>

4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	462,355	409,693
Value of company pension contributions to money purchase schemes	13,661	13,396
	<u>476,016</u>	<u>423,089</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>3</u>	<u>3</u>

5. Income from shares in group undertakings

	2011 £	2010 £
Income from group undertakings	<u>170,000</u>	<u>225,000</u>

6. Interest payable and similar charges

	2011 £	2010 £
Interest payable on bank borrowing	5,463	6,891
Finance charges	10,361	14,689
	<u>15,824</u>	<u>21,580</u>

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 December 2011

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
UK Corporation tax based on the results for the year at 26.49% (2010 - 27.41%)	485,062	102,405
Over provision in prior year	(24)	(399)
Total current tax	<u>485,038</u>	<u>102,006</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26.49% (2010 - 27.41%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>1,907,972</u>	<u>492,721</u>
Profit on ordinary activities by rate of tax	505,422	135,055
Expenses not deductible for tax purposes	209	(19,521)
Capital allowances for period in excess of depreciation	(20,626)	(13,122)
Adjustments to tax charge in respect of previous periods	(24)	(399)
Sundry tax adjusting items	57	(7)
Total current tax (note 7(a))	<u>485,038</u>	<u>102,006</u>

8. Dividends

	2011 £	2010 £
Final dividends paid on ordinary shares	<u>888,000</u>	<u>525,000</u>

9. Intangible fixed assets

	Patents £
Cost	
At 1 January 2011 and 31 December 2011	<u>3,247</u>
Amortisation	
At 1 January 2011 and 31 December 2011	<u>3,247</u>
Net book value	
At 31 December 2011	<u>-</u>
At 31 December 2010	<u>-</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

10. Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 January 2011	-	282,251	287,733	569,984
Additions	18,125	48,190	-	66,315
Disposals	(18,125)	(13,520)	(160,668)	(192,313)
At 31 December 2011	<u>-</u>	<u>316,921</u>	<u>127,065</u>	<u>443,986</u>
Depreciation				
At 1 January 2011	-	53,325	166,129	219,454
Charge for the year	-	29,739	17,692	47,431
On disposals	-	(3,625)	(96,152)	(99,777)
At 31 December 2011	<u>-</u>	<u>79,439</u>	<u>87,669</u>	<u>167,108</u>
Net book value				
At 31 December 2011	<u>-</u>	<u>237,482</u>	<u>39,396</u>	<u>276,878</u>
At 31 December 2010	<u>-</u>	<u>228,926</u>	<u>121,604</u>	<u>350,530</u>

Hire purchase agreements

Included within the net book value of £276,878 is £207,929 (2010 - £262,631) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £31,418 (2010 - £44,477).

Capital commitments

	2011 £	2010 £
Contracted but not provided for in the financial statements	<u>174,000</u>	<u>-</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

11. Investments

	Investment in subsidiary undertakings £
Cost	
At 1 January 2011 and 31 December 2011	<u>110</u>
Net book value	
At 31 December 2011 and 31 December 2010	<u>110</u>

Investments represents the cost of acquisition of shares of the following subsidiary undertakings

Name and Activity		Proportion of shares held	Country of incorporation
A F Switchgear Services Limited	Dormant	100%	England
A F Fabrications Limited	Fabrication of electrical switchgear and control panel systems	100%	England
A F Technical Services Limited	Dormant	100%	England

12. Stocks

	2011 £	2010 £
Raw materials	270,180	214,442
Work in progress	318,792	964,102
	<u>588,972</u>	<u>1,178,544</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

13. Debtors

	2011	2010
	£	£
Trade debtors	3,887,900	4,755,527
Amounts owed by group undertakings	-	197,560
Prepayments and accrued income	29,285	31,736
	<u>3,917,185</u>	<u>4,984,823</u>

The debtors above include the following amounts falling due after more than one year

	2011	2010
	£	£
Amounts owed by group undertakings	<u>-</u>	<u>197,560</u>

14 Creditors: amounts falling due within one year

	2011	2010
	£	£
Bank loans	74,892	73,410
Trade creditors	2,726,961	3,912,815
Amounts owed to group undertakings	106,877	-
Corporation tax	485,059	102,405
Other taxation and social security	508,531	293,245
Hire purchase agreements	55,408	76,788
Accruals and deferred income	189,006	129,725
	<u>4,146,734</u>	<u>4,588,388</u>

The following liabilities disclosed under creditors falling due within one year are secured by a legal charge on certain assets of the company

	2011	2010
	£	£
Bank loans	74,892	73,410
Hire purchase agreements	55,408	76,788
	<u>130,300</u>	<u>150,198</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

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

	2011	2010
	£	£
Bank loans and overdrafts	155,757	231,330
Hire purchase agreements	68,384	123,763
	<u>224,141</u>	<u>355,093</u>

The following liabilities disclosed under creditors falling due within one year are secured by a legal charge on certain assets of the company

	2011	2010
	£	£
Bank loans	155,757	231,330
Hire purchase agreements	68,384	123,763
	<u>224,141</u>	<u>355,093</u>

Bank and other borrowing

The bank borrowing is secured by fixed and floating debenture charges against the company's assets and against the freehold property owned by A F Switchgear (Holdings) Limited. The aggregate amount of secured liabilities amounted to **£354,441** at the balance sheet date (2010 £505,291)

There is a multilateral guarantee in place between A F Switchgear (Holdings) Limited, A F Switchgear Limited and A F Fabrications Limited in favour of HSBC bank plc. Repayments are made monthly, inclusive of interest, over a twelve year term. The interest rate is 1.5% above the bank's base rate.

16 Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows

	2011	2010
	£	£
Amounts payable within 1 year	55,408	76,788
Amounts payable between 2 to 5 years	68,384	123,763
	<u>123,792</u>	<u>200,551</u>

17. Pensions

Defined contribution pension scheme

The company operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to **£29,867** (2010 £43,768).

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

18. Deferred taxation

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows

	2011 £	2010 £
Excess of taxation allowances over depreciation on fixed assets	<u>41,557</u>	<u>22,936</u>

Deferred taxation is based on a corporation tax rate of 26% (2010 26%)

19 Commitments under operating leases

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as set out below

	2011		2010	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire				
Within 1 year	15,360	-	11,232	1,650
Within 2 to 5 years	<u>200,000</u>	<u>84,598</u>	<u>200,000</u>	<u>23,995</u>
	<u>215,360</u>	<u>84,598</u>	<u>211,232</u>	<u>25,645</u>

20. Share capital**Authorised share capital:**

	2011 £	2010 £
2,500 Ordinary "A" shares of £1 each	2,500	2,500
2,500 Ordinary "B" shares of £1 each	<u>2,500</u>	<u>2,500</u>
	<u>5,000</u>	<u>5,000</u>

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
2,500 Ordinary "A" shares of £1 each	2,500	2,500	2,500	2,500
2,500 Ordinary "B" shares of £1 each	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year ended 31 December 2011

21. Profit and loss account

	2011	2010
	£	£
Balance brought forward	3,085,241	3,219,526
Profit for the financial year	1,422,934	390,715
Equity dividends	(888,000)	(525,000)
Balance carried forward	<u>3,620,175</u>	<u>3,085,241</u>

22. Reconciliation of movements in shareholder's funds

	2011	2010
	£	£
Profit for the financial year	1,422,934	390,715
Equity dividends	(888,000)	(525,000)
Net addition/(reduction) to shareholder's funds	<u>534,934</u>	<u>(134,285)</u>
Opening shareholder's funds	3,090,241	3,224,526
Closing shareholder's funds	<u>3,625,175</u>	<u>3,090,241</u>

23. Ultimate parent company

The ultimate parent company is A F Switchgear (Holdings) Limited, a company registered in England and Wales