

Groestar Limited
ABBREVIATED ACCOUNTS
for the year ended
31 December 2011

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COMPANIES HOUSE

Company Registration No 01202226

**INDEPENDENT AUDITOR'S REPORT TO GROESTAR LIMITED UNDER SECTION
449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Groestar Limited for the year ended 31 December 2011 prepared under section 396 of the Companies Act 2006

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 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.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Baker Tilly UK Audit LLP

GARY PURDY (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1ED


24 May 2012

GROESTAR LIMITED
ABBREVIATED BALANCE SHEET
31 December 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS	1				
Tangible assets			438,209		404,499
CURRENT ASSETS					
Stocks		6,916		6,016	
Debtors		2,519,405		1,671,180	
Cash at bank and in hand		484,213		29,153	
		<u>3,010,534</u>		<u>1,706,349</u>	
CREDITORS amounts falling due within one year	2	2,280,144		1,439,375	
NET CURRENT ASSETS			<u>730,390</u>		<u>266,974</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,168,599		671,473
CREDITORS amounts falling due after more than one year			104,422		73,695
PROVISIONS FOR LIABILITIES AND CHARGES			<u>3,552</u>		<u>-</u>
			<u>1,060,625</u>		<u>597,778</u>
CAPITAL AND RESERVES					
Called up equity share capital	3		50,000		50,000
Revaluation reserve			85,690		95,027
Profit and loss account			<u>924,935</u>		<u>452,751</u>
SHAREHOLDERS' FUNDS			<u>1,060,625</u>		<u>597,778</u>

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The abbreviated accounts on pages 2 to 5 were approved by the Board of Directors and authorised for issue on 18 May 12 and are signed on their behalf by


A B Grainger
Director

GROESTAR LIMITED

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

The turnover shown in the profit and loss account represents amounts receivable in respect of work carried out 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, 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

The company has adopted the revaluation model in respect of freehold property, under the provisions of the FRSSSE.

The company's policy is to update the revaluation every 5 years in accordance with the provisions of the FRSSSE

DEPRECIATION

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

Freehold property	- Land not depreciated, buildings 2% straight line
Fixtures, fittings & equipment	- 20% / 25% reducing balance
Motor vehicles	- 35% 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.

LEASING AND HIRE PURCHASE COMMITMENTS

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

GROESTAR LIMITED

ACCOUNTING POLICIES

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.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

GROESTAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2011

1 FIXED ASSETS

	Tangible Assets £
Cost or valuation	
At 1 January 2011	645,295
Additions	163,123
Disposals	(49,898)
Revaluation	(20,000)
At 31 December 2011	<u>738,520</u>
Depreciation	
At 1 January 2011	240,796
Charge for year	117,384
On disposals	(47,206)
Revaluation adjustment	(10,663)
At 31 December 2011	<u>300,311</u>
Net book value	
At 31 December 2011	<u>438,209</u>
At 31 December 2010	<u>404,499</u>

2 CREDITORS amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	<u>726,226</u>	<u>518,174</u>

3 SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid: 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

4 POST BALANCE SHEET EVENTS

On 29 February 2012 Groestar Limited purchased a new freehold property at a purchase price of £200,000
This was financed by a bank loan secured on the company's assets