Registered Number 01260354

A. G. CERAMICS LIMITED

Abbreviated Accounts

31 December 2008

A. G. CERAMICS LIMITED **Registered Number 01260354**

Balance Sheet as at 31 December 2008

	Notes	2008		2007	
		£	£	£	£
Fixed assets					
Tangible	2		114,487		144,608
Investments					2,500
Total fixed assets			114,487		147,108
Current assets					
Stocks		153,031		160,405	
Debtors		213,693		253,978	
Cash at bank and in hand		440		413	
Total current assets		367,164		414,796	
Prepayments and accrued income (not expressed within current asset sub-total)		24,694		26,290	
Creditors: amounts falling due within one year		(523,184)		(534,151)	
Net current assets			(131,326)		(93,065)
Total assets less current liabilities			(16,839)		54,043
Total net Assets (liabilities)			(16,839)		54,043
Capital and reserves					
Called up share capital			2,200		2,200
Profit and loss account			(19,039)		51,843
Shareholders funds			(16,839)		54,043

a. For the year ending 31 December 2008 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.
b. The members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985
c. The directors acknowledge their responsibility for:
    i. ensuring the company keeps accounting records which comply with Section 221; and
    ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.
d. The accounts have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies

Approved by the board on 27 October 2009

And signed on their behalf by:
A.G.Hyde, Director

This document was delivered using electronic communications and authenticated in accordance with section 707B(2) of the Companies Act 1985.

Notes to the abbreviated accounts

For the year ending 31 December 2008

1 **Accounting policies**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Small Entities (effective January 2005)

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers. All turnover is attributable to the UK.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and Machinery	10.00% Straight Line
Fixtures and Fittings	15.00% Straight Line
Motor vehicles	25.00% Straight Line
Computer equipment	33.00% Straight Line
Licences	40.00% Straight Line

2 **Tangible fixed assets**

Cost	£
At 31 December 2007	242,247
additions	795
disposals	
revaluations	
transfers	
At 31 December 2008	243,042
Depreciation	
At 31 December 2007	97,639
Charge for year	30,916
on disposals	
At 31 December 2008	128,555
Net Book Value	
At 31 December 2007	144,608
At 31 December 2008	114,487

3 **Transactions with directors**

At 31 December 2008, Mr AG Hyde and Mr CAH Parker owed the company £Nil (2007: £42) and £Nil (2007: £34) respectively for goods purchased from the company on standard terms available to all staff . Mr AG Hyde loaned the company £25,000 on 26 August 2008. The loan is unsecured, is repayable on demand and carries interest at 5% per annum.

4 **Related party disclosures**

On 14 January 2005, the company entered into a 10.5 year lease of warehouse and office premises at Arlington Business Park in Stevenage, Hertfordshire. The lessors are the Hyde Erdman Pension Funds Property Partnership whose partners are the BW SIPP AG Hyde and BW SIPP DM Erdman pension funds. Mr AG Hyde and Mr DM Erdman, both of whom are directors of the company, are respective beneficiaries of

Mr AG Hyde and Mr DM Erdman, both of whom are directors of the company, are respective beneficiaries of these funds. The annual rent was set at £92,000 per annum from 1 September 2007. The rent was reduced by concession to £81,000 per annum from 14 November 2008 in order to assist the company through the difficult trading conditions that developed during the second half of 2008. The lease is a tenant-repairing lease and the rent is considered to be the open-market rent.

5 **Related party disclosures (2)**

The rent charged in these accounts is £82,992 (2006: £78,464). During the year the company paid £28,603 (2007 : £30,900) to Messrs Millington Hore in respect of accounting, taxation and financial advice. Mr C.D.B.Millington-Hore and his wife are the partners in Messrs Millington Hore. During 2007 the company borrowed £80,000 from Mr JKS Hyde and Mrs SB Hyde, the brother and sister-in-law of mr AH Hyde. The loan is unsecured and caries interest at 1.5% above the published Bank of England rate. The loan is repayable on three months notice from the lenders or in full or in part at the company's option at any time. The balance outstanding at 31/12/08 was £80,000.

6 **Going concern**

In common with many other companies that supply materials and services within the construction industry, the company suffered a significant reduction in sales and contract income during the year under review, which has continued into 2009. Direct costs will also reduce in line with the reduction in sales but the directors have taken additional measures to reduce these costs by seeking alternative suppliers and exercising tight controls over the levels of stock held. The company moved premises in May 2005. It had been expected that the company would be able to sublet its previous premises to offset the ongoing commitments under the lease but this proved to be impossible and as a consequence the company continued to be liable for the costs of its former premises.

7 **Going concern (2)**

This lease ended in September 2008 and expenditure amounting to £54,750 incurred during 2008 will not recur in future. The directors have also reviewed the overhead costs incurred by the company and have instituted changes that are expected to reduce the overhead costs in 2009 by approximately £150,000.

8 **Going concern (3)**

In the meantime, the directors have secured the continuing support of the company's bankers and, in addition, they and members of their families have made loans to the company which, although they have been made on commercial terms and are repayable on demand, the directors consider to be secure for the medium term.

9 **Going concern (4)**

The directors consider that the company has access to sufficient means to be able to take advantage of the recovering economic conditions and as a consequence these accounts have been prepared on a going-concern basis.