

AUTOMATED TUBE CUTTING SERVICES LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2007

LANDERS ACCOUNTANTS LTD

Chartered Accountants
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AUTOMATED TUBE CUTTING SERVICES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

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AUTOMATED TUBE CUTTING SERVICES LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS	2		
Tangible assets		<u>94,341</u>	<u>140,110</u>
CURRENT ASSETS			
Stocks		195,357	242,968
Debtors		174,618	273,958
Cash at bank and in hand		-	67,184
		<u>369,975</u>	<u>584,110</u>
CREDITORS: Amounts falling due within one year	3	<u>198,395</u>	<u>306,684</u>
NET CURRENT ASSETS		<u>171,580</u>	<u>277,426</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>265,921</u>	<u>417,536</u>
CREDITORS: Amounts falling due after more than one year	4	5,750	16,829
PROVISIONS FOR LIABILITIES		<u>11,948</u>	<u>15,480</u>
		<u>248,223</u>	<u>385,227</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	100	100
Profit and loss account		248,123	385,127
SHAREHOLDERS' FUNDS		<u>248,223</u>	<u>385,227</u>

The Balance sheet continues on the following page.

The notes on pages 3 to 6 form part of these abbreviated accounts

AUTOMATED TUBE CUTTING SERVICES LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31 DECEMBER 2007


The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 15 May 2008, and are signed on their behalf by



MR K WATSON
Director

The notes on pages 3 to 6 form part of these abbreviated accounts

AUTOMATED TUBE CUTTING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES

Basis of accounting

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

The turnover shown in the profit and loss account represents amounts invoiced 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

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

Improvements to property	- Over the term of the lease
Plant & Machinery	- 20% on reducing balance
Fixtures & Fittings	- 15% on reducing balance
Motor Vehicles	- 25% on reducing balance
Equipment	- 33% 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

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

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

AUTOMATED TUBE CUTTING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

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.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the 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.

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.

AUTOMATED TUBE CUTTING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2007	914,079
Disposals	<u>(32,000)</u>
At 31 December 2007	<u>882,079</u>
DEPRECIATION	
At 1 January 2007	773,969
Charge for year	25,714
On disposals	<u>(11,945)</u>
At 31 December 2007	<u>787,738</u>
NET BOOK VALUE	
At 31 December 2007	<u>94,341</u>
At 31 December 2006	<u>140,110</u>

3. CREDITORS: Amounts falling due within one year

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

	2007	2006
	£	£
Hire purchase agreements	<u>3,000</u>	<u>10,547</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007	2006
	£	£
Hire purchase agreements	<u>5,750</u>	<u>16,829</u>

5. TRANSACTIONS WITH THE DIRECTORS

At the year end the company owed Mr Watson £753 (2006 - £4,004) and Mrs Watson £Nil (2006 - £11,588) Both are Directors of the company The maximum amount owed on Mr Watson's Directors Loan Account was £7,004 (2006 £6,448) and Mrs Watson's Directors Loan Account £14,588 (2006 £13,838)

No interest was charged or accrued on amounts outstanding

AUTOMATED TUBE CUTTING SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

6. SHARE CAPITAL

Authorised share capital:

	2007	2006
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>