

REGISTERED NUMBER: 01457518 (England and Wales)

PEGASUS HORSESHOES LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004



PEGASUS HORSESHOES LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2004**

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PEGASUS HORSESHOES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2004**

DIRECTOR: S E Dale

SECRETARY: O M Dale

REGISTERED OFFICE: West Street
Stamford
Lincolnshire
PE9 2JD

REGISTERED NUMBER: 01457518 (England and Wales)

ACCOUNTANTS: Duncan & Toplis
Chartered Accountants
14 All Saints Street
Stamford
Lincolnshire
PE9 2PA

BANKERS: HSBC Bank Plc
1 High Street
Stamford
Lincolnshire
PE9 2AL

PEGASUS HORSESHOES LIMITED**ABBREVIATED BALANCE SHEET
31 DECEMBER 2004**

		2004	2003
	Notes	£	£
FIXED ASSETS:			
Intangible assets	2	16,268	24,034
Tangible assets	3	59,452	33,451
Investments	4	574,101	542,106
		<u>649,821</u>	<u>599,591</u>
CURRENT ASSETS:			
Stocks		238,202	-
Debtors		214,104	206,745
Cash at bank		-	3,581
		<u>452,306</u>	<u>210,326</u>
CREDITORS: Amounts falling due within one year		<u>(784,550)</u>	<u>(450,621)</u>
NET CURRENT LIABILITIES:		<u>(332,244)</u>	<u>(240,295)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£317,577</u>	<u>£359,296</u>
CAPITAL AND RESERVES:			
Called up share capital	5	9,000	9,000
Capital redemption reserve		1,000	1,000
Profit and loss account		307,577	349,296
SHAREHOLDERS' FUNDS:		<u>£317,577</u>	<u>£359,296</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

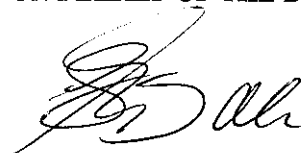
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

PEGASUS HORSESHOES LIMITED

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2004**

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'S E Dale', is written over a horizontal line.

S E Dale - Director

Approved by the Board on 22 September 2005

PEGASUS HORSESHOES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

Patents: The cost of patents is written off over their expected useful lives.

Development costs: Expenditure is written off in the year in which it is incurred.

In prior years development costs have been capitalised provided that the directors were satisfied as to the financial viability of the individual products. No depreciation was provided until such time as these products were in commercial production. The development costs were then depreciated at a rate based on the anticipated life of each new product.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- Straight line over period of lease
Plant and machinery etc	- 25% on reducing balance and 15% on reducing balance

Stocks

Stock is 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Basis of consolidation

The company has not prepared group accounts as it qualifies as a small group and as such has taken advantage of exemption from preparing group accounts under section 248 Companies Act 1985.

Investments

Investments in subsidiaries are stated at the lower of cost and the company's share of net assets.

Other investments are stated at cost less provision for permanent diminution in value.

PEGASUS HORSESHOES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

2. INTANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 2004	
and 31 December 2004	77,661
AMORTISATION:	
At 1 January 2004	53,627
Charge for year	7,766
At 31 December 2004	61,393
NET BOOK VALUE:	
At 31 December 2004	16,268
At 31 December 2003	24,034

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 2004	184,913
Additions	30,833
At 31 December 2004	215,746
DEPRECIATION:	
At 1 January 2004	151,462
Charge for year	4,832
At 31 December 2004	156,294
NET BOOK VALUE:	
At 31 December 2004	59,452
At 31 December 2003	33,451

4. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2004	542,106
Additions	31,995
At 31 December 2004	574,101
NET BOOK VALUE:	
At 31 December 2004	574,101
At 31 December 2003	542,106

PEGASUS HORSESHOES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

4. FIXED ASSET INVESTMENTS - continued

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

A J Pledger & Co (Metals) Limited

Nature of business: Horseshoe manufacturing

Class of shares:	%
Ordinary £1	holding 100.00

	2004	2003
	£	£
Aggregate capital and reserves	822,534	903,434
Loss for the year	(80,900)	(131,790)

West Side Health & Fitness Club Limited

Nature of business: Health & fitness club

Class of shares:	%
Ordinary £1	holding 100.00

	2004	2003
	£	£
Aggregate capital and reserves	202,944	143,890
Profit/(Loss) for the year	59,054	(32,116)

5. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2004	2003
			£	£
10,000	Ordinary	£1	10,000	10,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004	2003
			£	£
9,000	Ordinary	£1	9,000	9,000

PEGASUS HORSESHOES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

6. TRANSACTIONS WITH DIRECTOR

During the year the company had the following transactions with an unincorporated business, trading as Pegasus Horseshoes, of which Mr S E Dale was the sole proprietor:

The company made purchases amounting to £14,272 (2003: £30,992) from Pegasus Horseshoes.
The company made recharges amounting to £3,406 (2003: £5,110) to Pegasus Horseshoes.

At the balance sheet date the company owed £51,589 (2003: £34,820) to Pegasus Horseshoes made up of a trade creditor balance of £54,037 (2003: £37,268) less a loan debtor of £2,448 (2003: £2,448). The maximum net overdrawn balance during the year was £2,448.

These balances are shown in debtors and creditors respectively.

During the year the company had the following transactions with its two wholly owned subsidiary companies:

Pegasus Horseshoes Limited made sales of £58,664 (2003: £57,258) to A J Pledger & Co (Metals) Limited.
Pegasus Horseshoes Limited made purchases of £nil (2003: £3,018) from A J Pledger & Co (Metals) Limited.

At the balance sheet date the company had the following balances with A J Pledger & Co (Metals) Limited:

Owed to Pegasus Horseshoes Limited £29,032 (2003: £18,446).

Owed by Pegasus Horseshoes Limited £716,121 (2003: £405,292).

These amounts are included within debtors and creditors respectively. The amount owed by Pegasus Horseshoes Limited represents a financing loan from A J Pledger & Co (Metals) Limited which is interest free and repayable on demand. A rates recharge from A J Pledger & Co (Metals) Limited in the sum of £4,600 (2003: £4,600) and a rent recharge of £8,000 (2003: £8,000) have been added to the loan outstanding during the year.

In addition to the above, the trade of A J Pledger & Co (Metals) Limited was hived up into that of Pegasus Horseshoes Limited on 31 December 2004 (see note below). Fixed assets were transferred to Pegasus Horseshoes Limited at their net book value of £28,031, fixed asset investments at their book value of £31,995 and stock at its book value of £238,203. These transfers were made via the inter-company loan account.

During the year Pegasus Horseshoes Limited recharged West Side Health & Fitness Club Limited £10,038 (2003: £16,137) for goods and services supplied. At the balance sheet date the company was owed £nil (2003: £1,041) by West Side Health & Fitness Club Limited. At the balance sheet date the company was also owed £171,491 (2003: £173,491) by West Side Health & Fitness Club Limited in respect of a financing loan which is included within debtors and is interest free and repayable on demand.