

COMPANY REGISTRATION NUMBER 01569481

**STAFFORDSHIRE PRECISION ENGINEERING
LIMITED**

ABBREVIATED ACCOUNTS

FOR

31 JANUARY 2004



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COMPANIES HOUSE

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0344
21/09/04

HORNER, DOWNEY & COMPANY LIMITED

Chartered Accountants & Registered Auditors
30, Bromborough Village Road
Bromborough
Wirral
CH62 7ES

STAFFORDSHIRE PRECISION ENGINEERING LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2004

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STAFFORDSHIRE PRECISION ENGINEERING LIMITED
INDEPENDENT AUDITORS' REPORT TO THE COMPANY
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 January 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Horner Downey & Company Limited

HORNER, DOWNEY & COMPANY LIMITED
Chartered Accountants
& Registered Auditors

30, Bromborough Village Road
Bromborough
Wirral
CH62 7ES

26/7/04

STAFFORDSHIRE PRECISION ENGINEERING LIMITED


ABBREVIATED BALANCE SHEET

31 JANUARY 2004

| | Note | 2004 £ | 2003 £ |
|---|----------|------------------|------------------|
| FIXED ASSETS | 2 | | |
| Tangible assets | | 354,237 | 369,574 |
| CURRENT ASSETS | | | |
| Stocks | | 41,049 | 44,609 |
| Debtors | | 343,509 | 326,597 |
| Cash at bank and in hand | | 798,744 | 986,103 |
| | | <u>1,183,302</u> | <u>1,357,309</u> |
| CREDITORS: Amounts falling due within one year | | <u>254,162</u> | <u>510,476</u> |
| NET CURRENT ASSETS | | <u>929,140</u> | <u>846,833</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,283,377</u> | <u>1,216,407</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 3 | 50 | 50 |
| Other reserves | | 53 | 53 |
| Profit and loss account | | 1,283,274 | 1,216,304 |
| SHAREHOLDERS' FUNDS | | <u>1,283,377</u> | <u>1,216,407</u> |

These abbreviated financial statements 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 on 26-7-04..... and are signed on their behalf by:


MR. S. J. SMITH

STAFFORDSHIRE PRECISION ENGINEERING LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 JANUARY 2004****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 March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

| | |
|-----------------------|-------------------------|
| Freehold property | 2% on cost |
| Plant and machinery | 20% on reducing balance |
| Fixtures and fittings | 20% on reducing balance |
| Motor vehicles | 25% 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. Profit is included in the valuation of work in progress depending upon the level of completion of individual jobs.

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.

STAFFORDSHIRE PRECISION ENGINEERING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2004

1. ACCOUNTING POLICIES *(continued)*

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.

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.

2. FIXED ASSETS

| | Tangible Assets £ |
|---------------------------|----------------------------------|
| COST | |
| At 1 February 2003 | 961,012 |
| Additions | 30,072 |
| At 31 January 2004 | 991,084 |
| DEPRECIATION | |
| At 1 February 2003 | 591,438 |
| Charge for year | 45,409 |
| At 31 January 2004 | 636,847 |
| NET BOOK VALUE | |
| At 31 January 2004 | 354,237 |
| At 31 January 2003 | 369,574 |

STAFFORDSHIRE PRECISION ENGINEERING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2004

3. SHARE CAPITAL

Authorised share capital:

| | 2004 | 2003 |
|--------------------------------|------------|------------|
| | £ | £ |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

Allotted, called up and fully paid:

| | 2004 | | 2003 | |
|----------------------------|-----------|-----------|-----------|-----------|
| | No | £ | No | £ |
| Ordinary shares of £1 each | <u>50</u> | <u>50</u> | <u>50</u> | <u>50</u> |