

REGISTERED NUMBER
1572004
ENGLAND AND WALES

JAFCO TOOLS LIMITED
ABBREVIATED ACCOUNTS
30TH SEPTEMBER 2010

SATURDAY



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JAFCO TOOLS LIMITED

INDEPENDENT AUDITORS' REPORT TO JAFCO TOOLS LIMITED UNDER SECTION 449B OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 9, together with the financial statements of Jafco Tools Limited for the year ended 30th September 2010, prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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.

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.



.....
G.F. Wain, FCA (Senior Statutory Auditor)
For and on behalf of Cox Jerome
Chartered Accountants and Statutory Auditors
Churchill House, Walsall

19TH MAY 2011

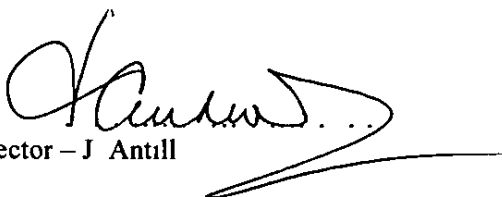
JAFCO TOOLS LIMITED**ABBREVIATED BALANCE SHEET****30TH SEPTEMBER 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	2	823,243	832,566
CURRENT ASSETS			
Stocks		467,060	471,766
Debtors	3	110,733	142,165
		<hr/>	<hr/>
		577,793	613,931
CREDITORS – amounts falling due within one year	4	444,354	526,622
		<hr/>	<hr/>
NET CURRENT ASSETS		133,439	87,309
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/>	<hr/>
		956,682	919,875
CREDITORS – amounts falling due after more than one year	4	235,580	259,053
		<hr/>	<hr/>
		721,102	660,822
CAPITAL AND RESERVES		<hr/>	<hr/>
Called up share capital	5	30,000	30,000
Share premium account		10,000	10,000
Profit and loss account		681,102	620,822
		<hr/>	<hr/>
		721,102	660,822
		<hr/>	<hr/>

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

The financial statements on pages 4 to 9 were approved by the Board of Directors on 18th May 2011 and were signed on its behalf by:

Director – J Antill



1. ACCOUNTING POLICIES**Basis of accounting**

The accounts have been prepared under the historical cost convention, on a going concern basis and in accordance with applicable accounting standards

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

Tangible fixed assets

With the exception of freehold property, which has not been depreciated, fixed assets are being depreciated so as to write them off over their anticipated useful lives at the following annual rates on a straight line basis

Plant and machinery	-	20% straight lines
Office, fixtures and fittings	-	25% straight line
Motor vehicles	-	25% straight line
Computers	-	33 3% straight line

The freehold property has not been depreciated as is the opinion of the directors, the market value is in excess of the value shown on the balance sheet and a depreciation charge and related accumulated depreciation balance would not be material as the property has a long remaining useful life

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads. Net realisable value is based on estimated selling price after taking into account all further losses expected to be incurred on completion and disposal.

Deferred taxation

Deferred tax is recognised on all timing differences which have originated, but not reversed, at the balance sheet date, except for those relating to properties where there is no commitment or intention to sell the property. Timing differences represent accumulated differences between the company's taxable profit and its financial profit and arise primarily from the difference between accelerated capital allowances and depreciation. Deferred tax liabilities and assets are not discounted.

Hire purchase

Interest on hire purchase agreements is charged to revenue in equal instalments over the life of each agreement.

Turnover

Turnover represents the sales value of goods dispatched during the year, excluding value added tax.

Research and development

Revenue expenditure on research and development is written off against the results as incurred.

JAFCO TOOLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (Continued) YEAR ENDED 30TH SEPTEMBER 2010

1. ACCOUNTING POLICIES (Continued)

Foreign exchange

Assets and liabilities expressed in foreign currencies are translated to sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated to sterling at the exchange rate ruling on the date payment takes place unless related or matching forward foreign exchange contracts have been entered into when the rate specified in the contract is used. Exchange differences are included in the profit and loss account.

Pension costs

Contributions in respect of the company's defined contribution scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

JAFCO TOOLS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS (Continued) YEAR ENDED 30TH SEPTEMBER 2010****2. TANGIBLE FIXED ASSETS**

	Freehold property £	Vehicles & machinery £	Total £
COST			
At 30th September 2009	811,076	109,911	920,987
Additions	-	2,525	2,525
	<hr/>	<hr/>	<hr/>
At 30th September 2010	811,076	112,436	923,512
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 30th September 2009	-	88,421	88,421
Charge for the year	-	11,848	11,848
	<hr/>	<hr/>	<hr/>
At 30th September 2010	-	100,269	100,269
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 30th September 2010	811,076	12,167	823,243
	<hr/>	<hr/>	<hr/>
At 30th September 2009	811,076	21,490	832,566
	<hr/>	<hr/>	<hr/>

ASSETS HELD UNDER HIRE PURCHASE

Included in tangible assets is a motor vehicle which is held under hire purchase as follows

	Total £
COST	
At 30th September 2009 and at 30th September 2010	12,495
	<hr/>
DEPRECIATION	
At 30th September 2009	1,562
Charge for the year	3,124
	<hr/>
At 30th September 2010	4,686
	<hr/>
NET BOOK VALUE	
At 30th September 2010	7,809
	<hr/>
At 30th September 2009	10,933
	<hr/>

JAFCO TOOLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (Continued) YEAR ENDED 30TH SEPTEMBER 2010

3. DEBTORS

Trade debtors include amounts totalling £99,589 (2009 - £109,807), which are assigned under a factoring agreement.

4. CREDITORS – amounts falling due within one year

Included in creditors is a loan, due to R J Antill of £34,222 (2009 - £34,164), a director of the company. There are no fixed repayment terms and no interest was accrued during the year (2009 – interest accrued at 4% above Lloyd TSB Bank Plc base rate) (See note 8)

Creditors also include a loan due to J Antill of £2,068 (2009 - £8,403), the other director of the company. There are no fixed repayment terms and no interest was accrued during the year

The bank loans, the aggregate total of which amounts to £253,580 (2009 - £273,247), comprises two loans of £210,412 (2009 - £226,825) and £43,168 (2009 - £46,422). These loans are to be repaid by 29th September 2021 and 17th January 2022 respectively

The bank loans are secured by a legal charge over the company's freehold property

5. CALLED UP SHARE CAPITAL

	2010 £	2009 £
Authorised 35,000 ordinary shares of £1 each	35,000	35,000
Allotted, called up and fully paid 30,000 ordinary shares of £1 each	30,000	30,000

6. PENSION COMMITMENTS

The company operates a defined contribution scheme on behalf of some of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The total premiums paid during the year amounted to £1,526 (2009 - £1,526)

7. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is J Antill by virtue of his majority shareholding in the company

JAFECO TOOLS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS (Continued) YEAR ENDED 30TH SEPTEMBER 2010****8. DIRECTORS' INTEREST IN TRANSACTIONS**

During the year the company accrued interest to the following director in respect of loans made to the company (See note 4)

	2010 £	2009 £
R J Antill	-	1,172

9. LEASE COMMITMENTS

As at 30th September 2010, the company was committed to making the following annual payments in respect of operating leases -

	2010 £	2009 £
Telephone system – which expires in 2012	3,804	3,804
Heating system – which expires in 2013	1,927	-
	<u>5,731</u>	<u>3,804</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax at 26% in respect of rollover relief on the 2005 sale of property of £98,000 (2009 at 28% - £111,000) has not been provided. Also a deferred tax asset at 20% arising from losses carried forward, totalling, £31,400 (2009 at 21% - £28,000) has not been recognised

11. GOING CONCERN

The accounts have been prepared on the going concern basis, on the assumption that there will be continued support from the company's bankers and its creditors