

Paton Brown Limited
Abbreviated financial statements
for the year ended 31 August 2009

Registration number 2281036

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Paton Brown Limited
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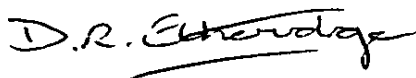
Paton Brown Limited
Abbreviated Balance Sheet as at 31 August 2009

		2009	2008
	Note	£	£
Fixed assets			
Tangible assets	3	2,101,473	1,717,014
Current assets			
Stocks		42,717	40,167
Debtors		562,526	4,007,578
Cash at bank and in hand		3,353	1,014,102
		<u>608,596</u>	<u>5,061,847</u>
Creditors Amounts falling due within one year		<u>(1,528,778)</u>	<u>(5,509,670)</u>
Net current liabilities		<u>(920,182)</u>	<u>(447,823)</u>
Total assets less current liabilities		1,181,291	1,269,191
Creditors Amounts falling due after more than one year		(463,331)	(101,592)
Provisions for liabilities		<u>(283,921)</u>	<u>(119,951)</u>
Net assets		<u>434,039</u>	<u>1,047,648</u>
Capital and reserves			
Called up share capital	4	263	263
Share premium reserve		274,005	274,005
Other reserves		100,103	103
Profit and loss reserve		59,668	773,277
Equity shareholders' funds		<u>434,039</u>	<u>1,047,648</u>

For the financial year ended 31 August 2009, the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006, and no notice has been deposited under section 476(1) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the company.

The abbreviated accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime.

Approved by the Board on 13 January 2010 and signed on its behalf by



D R Etheridge
Director

Paton Brown Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 August 2009

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement

Going concern

These financial statements have been prepared on a going concern basis. Please refer to note 2 for further details

Turnover

Turnover represents invoiced value of sales of goods, net of value added tax, recognised on shipment

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Land and buildings	2% on cost

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Deferred taxation

Deferred tax is provided in full on timing differences at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted. Deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme

Paton Brown Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 August 2009

2 Going Concern

The company has experienced significant trading challenges in the year to 31 August 2009 as major energy efficient product distributions contracts ended and were not replaced as expected by other printing and distribution activities. The company has significantly reduced its cost base and has successfully sought new work. The company's bankers are in the process of agreeing new bank loans and existing invoice finance facilities have been renewed. The directors consider that the company will be able to secure sufficient additional contracts and funding to be able to continue to meet its liabilities as they fall due. They acknowledge that there are significant uncertainties over both the expected future sales contracts and the provision of further bank and other finance. The directors note that without success in both these areas the company would not be able to continue in operational existence in its current form. Nonetheless they consider it appropriate to continue to prepare the accounts on a going concern basis.

3 Fixed assets

	Tangible assets £
Cost	
As at 1 September 2008	3,228,180
Additions	777,361
Disposals	(514,350)
As at 31 August 2009	<u>3,491,191</u>
Depreciation	
As at 1 September 2008	1,511,166
Eliminated on disposals	(290,491)
Charge for the year	169,043
As at 31 August 2009	<u>1,389,718</u>
Net book value	
As at 31 August 2009	<u>2,101,473</u>
As at 31 August 2008	<u>1,717,014</u>

4 Share capital

	2009 £	2008 £
Authorised		
Equity		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Non-equity		
100,000 (2008 - 200,000) Redeemable preference shares of £1 each	<u>100,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
Equity		
263 Ordinary shares of £1 each	<u>263</u>	<u>263</u>
Non-equity		
100,000 (2008 - 200,000) Redeemable preference shares of £1 each	<u>100,000</u>	<u>200,000</u>

Paton Brown Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 August 2009

5 Related parties

Controlling entity

The company is controlled by the directors

Related party transactions

During the year the Company paid £35,490 (2008 - £35,490) to I Cooper and £45,500 (2008 - £45,500) to the Paton Brown Small Self Administered Pension Scheme for rent

At the year end the company owed the executors of J Cooper's will £11,967 in relation to his loan account

Directors' loan accounts

The following balances owed to the directors were outstanding at the year end

	2009	2008
	£	£
I T Cooper	19,713	36,204
M Cooper	11,871	1,482
	<u>31,584</u>	<u>37,686</u>

Directors' loan accounts

Interest is charged or earned at the rate of 15% on closing balance