

A and G Precision
and Sons Limited

Abbreviated Accounts

For the Year Ended 31 May 2011



Montpelier Professional (Lancs) Limited
Chartered Accountants
Charter House
Pittman Way
Preston
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A AND G PRECISION AND SONS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

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A AND G PRECISION AND SONS LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31 MAY 2011

| | Note | 2011 £ | 2010 £ |
|--|----------|------------------|----------------|
| FIXED ASSETS | 2 | | |
| Tangible assets | | 866,822 | 822,310 |
| CURRENT ASSETS | | | |
| Stocks | | 87,490 | 58,290 |
| Debtors | | 442,436 | 441,029 |
| Cash at bank and in hand | | 237,695 | 432,282 |
| | | <u>767,621</u> | <u>931,601</u> |
| CREDITORS: Amounts falling due within one year | 3 | <u>631,790</u> | <u>831,513</u> |
| NET CURRENT ASSETS | | <u>135,831</u> | <u>100,088</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,002,653</u> | <u>922,398</u> |
| CREDITORS: Amounts falling due after more than one year | 4 | 208,204 | 162,630 |
| PROVISIONS FOR LIABILITIES | | 85,036 | 76,410 |
| | | <u>709,413</u> | <u>683,358</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 6 | 100 | 100 |
| Profit and loss account | | 709,313 | 683,258 |
| SHAREHOLDERS' FUNDS | | <u>709,413</u> | <u>683,358</u> |

The Balance sheet continues on the following page
The notes on pages 3 to 6 form part of these abbreviated accounts.

A AND G PRECISION AND SONS LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

AS AT 31 MAY 2011

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 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 393, 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 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 28/2/12, and are signed on their behalf by


Mr A Pinder
Director

Company Registration Number 02929703

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

A AND G PRECISION AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

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 April 2008)

Turnover

The turnover shown in the profit and loss account represents the invoice value of goods and services provided 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

| | | |
|-----------------------|-------------|------------------|
| Property Improvements | - 20% | Straight Line |
| Plant & Machinery | - 10% & 25% | Reducing Balance |
| Fixtures & Fittings | - 15% & 25% | Reducing Balance |
| Motor Vehicles | - 25% | Reducing Balance |
| Short Life Assets | - 25% | Straight Line |

Stocks

Stocks are valued at the lower of cost and net realisable value on a first in first out basis, after making due allowance for obsolete and slow moving items

Work in progress

Work in progress is valued as a percentage of the value of the finished product based on the level of completeness as at the year end. 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.

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.

A AND G PRECISION AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

1 ACCOUNTING POLICIES *(continued)*

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.

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 liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

A AND G PRECISION AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

2. FIXED ASSETS

| | Tangible Assets £ |
|-----------------------|----------------------------------|
| COST | |
| At 1 June 2010 | 1,694,971 |
| Additions | <u>248,965</u> |
| At 31 May 2011 | <u>1,943,936</u> |
| DEPRECIATION | |
| At 1 June 2010 | 872,661 |
| Charge for year | <u>204,453</u> |
| At 31 May 2011 | <u>1,077,114</u> |
| NET BOOK VALUE | |
| At 31 May 2011 | <u>866,822</u> |
| At 31 May 2010 | <u>822,310</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

| | 2011 £ | 2010 £ |
|--|----------------------|-------------------|
| Hire purchase and finance lease agreements | <u>80,460</u> | <u>60,125</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

| | 2011 £ | 2010 £ |
|--|-----------------------|-------------------|
| Hire purchase and finance lease agreements | <u>208,204</u> | <u>162,630</u> |

A AND G PRECISION AND SONS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

5 RELATED PARTY TRANSACTIONS

In the directors' opinion the company is controlled by Mr A Pinder, director and shareholder during the current and previous period

During the year Mr A Pinder, a director, provided a loan to the company. The outstanding amounts were as follows: beginning of year £27,038, end of year £10,925. The company also provided a loan to Mr A Pinder during the year with the maximum amount outstanding being £38,298.

Mr A Pinder has provided a personal guarantee to the National Westminster Bank plc regarding the overdraft facility. The guarantee is limited to £75,000 with no amounts owing to the bank at the year end.

Mr A Pinder and Mrs J Pinder, directors, own the building from which the company trades. During the period the company paid rent to them totalling £47,160 (2010: £47,160).

During the year the company purchased goods totalling £1,300 (2010: £2,120) from Windmill Framing Limited, a company in which Mrs J Pinder is a director. The transaction is considered to have taken place on normal commercial terms.

6. SHARE CAPITAL

Allotted, called up and fully paid

| | 2011 | | 2010 | |
|--------------------------------|------------|------------|------------|------------|
| | No | £ | No | £ |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |