

PNEUMATIC POWER SOURCE LIMITED
ABBREVIATED ACCOUNTS
31st JULY 2008

THURSDAY



AE3OK4Z2

A14

20/11/2008

370

COMPANIES HOUSE

PNEUMATIC POWER SOURCE LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31st JULY 2008

CONTENTS	PAGES
Independent auditor's report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 to 5

PNEUMATIC POWER SOURCE LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE COMPANY
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Pneumatic Power Source Limited for the year ended 31st July 2008 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 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 THE DIRECTORS AND THE AUDITOR

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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 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 full 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 Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Tait Walker

TAIT WALKER
Chartered Accountants
& Registered Auditors

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

18 11 08

PNEUMATIC POWER SOURCE LIMITED

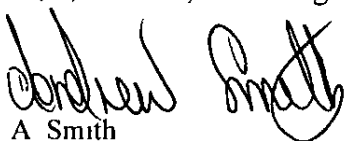
ABBREVIATED BALANCE SHEET

31st JULY 2008

	Note	2008	2007
	2	£	£
FIXED ASSETS			
Tangible assets		145,337	169,097
CURRENT ASSETS			
Stocks		127,376	170,307
Debtors		493,309	544,292
Cash at bank and in hand		681,988	482,631
		<u>1,302,673</u>	<u>1,197,230</u>
CREDITORS: amounts falling due within one year		<u>337,092</u>	<u>364,372</u>
NET CURRENT ASSETS		<u>965,581</u>	<u>832,858</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,110,918</u>	<u>1,001,955</u>
PROVISIONS FOR LIABILITIES		<u>4,273</u>	<u>6,003</u>
		<u>1,106,645</u>	<u>995,952</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	302	302
Profit and loss account		1,106,343	995,650
SHAREHOLDERS' FUNDS		<u>1,106,645</u>	<u>995,952</u>

These abbreviated accounts 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 and authorised for issue on 7/11/08, and are signed on their behalf by


A Smith
Director

The notes on pages 3 to 5 form part of these abbreviated accounts

PNEUMATIC POWER SOURCE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st JULY 2008

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 January 2007)

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

Leasehold Property Improvements	- 10% straight line
Plant and Machinery	- 10% reducing balance
Fixtures and Fittings	- 10% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 10% 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. No element of profit is included in the valuation of work in progress.

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 two defined contribution schemes for the benefit of directors and employees. The assets of the schemes 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

PNEUMATIC POWER SOURCE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st JULY 2008

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation *(continued)*

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 instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st August 2007	312,426
Additions	25,730
Disposals	<u>(12,749)</u>
At 31st July 2008	<u>325,407</u>
 DEPRECIATION	
At 1st August 2007	143,329
Charge for year	44,111
On disposals	<u>(7,370)</u>
At 31st July 2008	<u>180,070</u>
 NET BOOK VALUE	
At 31st July 2008	<u>145,337</u>
At 31st July 2007	<u>169,097</u>

PNEUMATIC POWER SOURCE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st JULY 2008

3. SHARE CAPITAL

Authorised share capital:

	2008	2007
	£	£
9,000 Ordinary shares of £1 each	9,000	9,000
100 Ordinary 'A' shares of £1 each	100	100
100 Ordinary 'B' shares of £1 each	100	100
100 Ordinary 'C' shares of £1 each	100	100
700 Ordinary 'D'- 'J' shares of £1 each	700	700
	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	2	2	2	2
Ordinary 'A' shares of £1 each	100	100	100	100
Ordinary 'B' shares of £1 each	100	100	100	100
Ordinary 'C' shares of £1 each	100	100	100	100
	<u>302</u>	<u>302</u>	<u>302</u>	<u>302</u>

Ordinary shares, designated 'A' to 'J' inclusive, do not carry any voting rights In all other respects they rank pari passu with the ordinary shares

4. ULTIMATE CONTROLLING PARTY

The company was under the control throughout the current and previous year of A Smith in his capacity as the managing director and the majority shareholder