

Acorn Seals Limited
Directors' report and financial statements
for the year ended 30 June 2008

Company number: SC150334



Acorn Seals Limited

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Acorn Seals Limited

Company information

Directors	David S. Brealey Genia A. Brealey
Secretary	Genia A. Brealey
Company number	SC150334
Registered office	Unit 78, East Way Hillend Industrial Park DALGETY BAY Fife, KY11 9JF
Accountants	John Lynch & Co. Torridon Lane ROSYTH Fife, KY11 2EU
Business address	Unit 78, East Way Hillend Industrial Park DALGETY BAY Fife, KY11 9JF

Acorn Seals Limited

**Directors' report
for the year ended 30 June 2008**

The directors present their report and the financial statements for the year ended 30 June 2008.

Principal activity

The principal activity of the company continues to be that of the resale of hydraulic and pneumatic seals and related products.

Directors

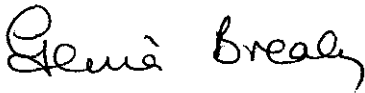
The directors who served during the year are as stated below:

David S. Brealey

Genia A. Brealey

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 27 April 2009 and signed on its behalf by



Genia A. Brealey

Director

Acorn Seals Limited

**Chartered Accountants' report to the Board of Directors on the
unaudited accounts of Acorn Seals Limited**

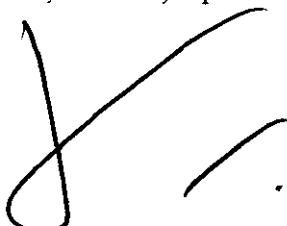
In accordance with the engagement letter dated 30 January 2009, and in order to assist you to fulfil your duties under the Companies Act 1985, we have prepared the accounts of the company on pages 4 to 12 from the accounting records and information and explanations supplied to us.

This report is made to the company's board of directors in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the accounts on behalf of the company's board of directors 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of accounts.

You have acknowledged on the balance sheet for the year ended 30 June 2008 your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the accounts.



John Lynch & Co.
Chartered Accountants
Torridon Lane
ROSYTH
Fife, KY11 2EU

Date: 27 April 2009

Acorn Seals Limited

Profit and loss account for the year ended 30 June 2008

		2008	2007
	Notes	£	£
Turnover	2	401,603	390,674
Cost of sales		(193,026)	(197,394)
Gross profit		<u>208,577</u>	<u>193,280</u>
Administrative expenses		(168,153)	(189,746)
Operating profit	3	<u>40,424</u>	<u>3,534</u>
Other interest receivable and similar income		932	1,062
Interest payable and similar charges		(783)	(1,321)
Profit on ordinary activities before taxation		<u>40,573</u>	<u>3,275</u>
Tax on profit on ordinary activities	6	(6,312)	(662)
Profit for the year		<u>34,261</u>	<u>2,613</u>
Retained profit brought forward		120,000	117,387
Reserve movements		(6,500)	-
Retained profit carried forward		<u><u>147,761</u></u>	<u><u>120,000</u></u>

The notes on pages 7 to 12 form an integral part of these financial statements.

Acorn Seals Limited

**Balance sheet
as at 30 June 2008**

		2008		2007	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		16,623		15,758
Investments	9		10,100		10,100
			<u>26,723</u>		<u>25,858</u>
Current assets					
Stocks		65,567		64,513	
Debtors	10	89,121		76,579	
Cash at bank and in hand		58,197		46,597	
		<u>212,885</u>		<u>187,689</u>	
Creditors: amounts falling due within one year	11	<u>(80,025)</u>		<u>(78,371)</u>	
Net current assets			132,860		109,318
Total assets less current liabilities			<u>159,583</u>		<u>135,176</u>
Creditors: amounts falling due after more than one year	12		-		(4,001)
Provisions for liabilities	13		(1,822)		(1,175)
Net assets			<u><u>157,761</u></u>		<u><u>130,000</u></u>
Capital and reserves					
Called up share capital	15		10,000		10,000
Profit and loss account			147,761		120,000
Shareholders' funds			<u><u>157,761</u></u>		<u><u>130,000</u></u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 7 to 12 form an integral part of these financial statements.

Acorn Seals Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 June 2008**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 June 2008 and

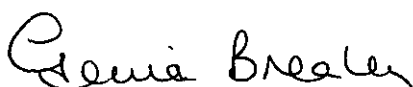
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on 27 April 2009 and signed on its behalf by



Genia A. Brealey
Director

The notes on pages 8 to 13 form an integral part of these financial statements.

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost unless otherwise stated. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	20% reducing balance basis
Fixtures, fittings and equipment	-	20% reducing balance basis

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.4. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

1.9. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

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2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

During the year, 9% (2007 -7%) of the company's turnover was derived from markets outside the United Kingdom.

3. Operating profit

	2008	2007
	£	£
Operating profit is stated after charging:		
Depreciation	4,069	3,808
and after crediting:		

4. Directors' emoluments

	2008	2007
	£	£
Remuneration and other benefits	45,500	41,867

5. Pension costs

The company operates a defined contribution pension scheme in respect of its directors. The scheme and its assets are held by independent managers. The pension charge represents contributions from the company and amounted to £5,000 (2007 -nil).

6. Tax on profit on ordinary activities

Analysis of charge in period	2008	2007
	£	£
Current tax		
UK corporation tax	5,665	480
Adjustments in respect of previous periods	-	(71)
	5,665	409
Total current tax charge	5,665	409
Deferred tax		
Timing differences, origination and reversal	647	253
Total deferred tax	647	253
Tax on profit on ordinary activities	6,312	662

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

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7. Dividends

Dividends paid and proposed on equity shares

	2008 £	2007 £
Paid during the year:		
Equity dividends on Ordinary shares	6,500	-
	<u>6,500</u>	<u>-</u>

8. Tangible fixed assets

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 July 2007	1,750	43,826	10,807	56,383
Additions	-	4,484	450	4,934
At 30 June 2008	<u>1,750</u>	<u>48,310</u>	<u>11,257</u>	<u>61,317</u>
Depreciation				
At 1 July 2007	525	31,568	8,532	40,625
Charge for the year	175	3,349	545	4,069
At 30 June 2008	<u>700</u>	<u>34,917</u>	<u>9,077</u>	<u>44,694</u>
Net book values				
At 30 June 2008	<u>1,050</u>	<u>13,393</u>	<u>2,180</u>	<u>16,623</u>
At 30 June 2007	<u>1,225</u>	<u>12,258</u>	<u>2,275</u>	<u>15,758</u>

9. Fixed asset investments

	Subsidiary undertakings shares £	Total £
Cost		
At 1 July 2007		
At 30 June 2008	<u>10,100</u>	<u>10,100</u>
Net book values		
At 30 June 2008	<u>10,100</u>	<u>10,100</u>
At 30 June 2007	<u>10,100</u>	<u>10,100</u>

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

..... continued

9.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
QEM Limited	Scotland	Component distribution	Ordinary	100%
Acorn Seals Properties Limited	Scotland	Property rental	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
QEM Limited	21,759	(8,460)
Acorn Seals Properties Limited	85,863	2,280

10. Debtors

	2008 £	2007 £
Trade debtors	89,121	75,532
Amount owed by connected companies	-	919
Prepayments and accrued income	-	128
	<u>89,121</u>	<u>76,579</u>

11. Creditors: amounts falling due within one year

	2008 £	2007 £
Bank overdraft	412	1,226
Other loans	10,333	10,333
Trade creditors	32,385	33,358
Amounts owed to group undertaking	14,207	11,358
Corporation tax	5,665	480
Other taxes and social security costs	7,173	10,008
Directors' accounts	63	6,140
Other creditors	2,609	2,898
Accruals and deferred income	7,178	2,570
	<u>80,025</u>	<u>78,371</u>

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

..... continued

12. Creditors: amounts falling due after more than one year	2008	2007
	£	£
Other loans	-	4,001
	<u> </u>	<u> </u>
13. Provisions for liabilities		
	Deferred taxation (Note 14)	Total
	£	£
At 1 July 2007	1,175	1,175
Movements in the year	647	647
At 30 June 2008	<u>1,822</u>	<u>1,822</u>
14. Provision for deferred taxation	2008	2007
	£	£
Accelerated capital allowances	1,822	1,175
Provision for deferred tax	<u>1,822</u>	<u>1,175</u>
Provision at 1 July 2007	1,175	
Deferred tax charge in profit and loss account	647	
Provision at 30 June 2008	<u>1,822</u>	

Acorn Seals Limited

Notes to the financial statements for the year ended 30 June 2008

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15. Share capital	2008	2007
	£	£
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Equity Shares		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

16. Related party transactions

During the year the company traded on normal commercial terms with its subsidiary undertaking QEM Limited, making sales of £442 (2007 - £946) and purchases of £15,846 (2007 - £7,989), management fees of £15,500 (2007 - £10,750) were also charged to QEM Limited. At the balance sheet date there was a balance of £7,651 due to QEM Limited (2007 - £919 due from QEM Limited). The company also rented property during the year on normal commercial terms from its subsidiary undertaking, Acorn Seals Properties Limited. The value of this transaction amounted to £7,200 (2007 - £7,200). At the balance sheet date £5,058 was due to Acorn Seals Properties Limited (2007 - £11,358).

17. Controlling interest

There is no one person with a majority shareholding in the company.