

A J BAKER (GRINDING) LIMITED

ABBREVIATED ACCOUNTS

**YEAR ENDED
31 AUGUST 2010**

TUESDAY



A30 *A2M9GS2H* 242
01/03/2011
COMPANIES HOUSE

**COMPANY NO:
1268617**

A J BAKER (GRINDING) LIMITED

**ABBREVIATED BALANCE SHEET
AT 31 AUGUST 2010**

Company Number 1268617	Note	2010 £	2009 £
Fixed assets			
Tangible assets	2	1,797,678	1,811,487
Tangible investment assets	3	60,000	45,000
		1,857,678	1,856,487
Current assets			
Stocks		87,986	62,225
Debtors		95,182	154,675
Bank and cash balances		2,098	4,988
		185,266	221,888
Creditors:			
Amounts falling due within one year	4	(163,076)	(161,018)
Net current assets		22,190	60,870
Total assets less current liabilities		1,879,868	1,917,357
Creditors:			
Amounts falling due after more than one year	5	(476,957)	(476,957)
Provision for liabilities and charges		-	-
Net assets		1,402,911	1,440,400
Capital and reserves			
Called up share capital	6	10,000	10,000
Investment property and vehicle revaluation reserve		342,642	327,642
Profit and loss account		1,050,269	1,102,758
Shareholders' funds		1,402,911	1,440,400

The director is satisfied that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476. The director acknowledges his responsibility for ensuring the company keeps accounting records that comply with s386 and preparing accounts that 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 396, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008). These financial statements were approved and authorised for issue by the Board on 14 February 2011.

ALAN JOHN BAKER Director

A. J. Baker

A J BAKER (GRINDING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS 31 AUGUST 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover consists of the invoiced value (excluding VAT) for goods supplied to third parties

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future

Tangible assets and depreciation

Depreciation is provided evenly on the cost of tangible assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. Where appropriate provision is made for any impairment in the depreciated value of fixed assets. The principal annual rates used for other assets are

Freehold buildings	2% per annum
Plant and machinery	15% per annum
Fixtures and fittings	25% per annum
Motor vehicles	25% per annum

Investment properties are accounted in accordance with SSAP 19. The properties are valued annually and the surplus or deficit transferred to the investment property revaluation reserve. Any deficit below original cost is charged to the profit and loss account.

Stocks

Stocks and work in progress are valued at the lower of cost and estimated net realisable value. The cost of work in progress and finished goods comprises materials, direct labour and attributable production overheads. Net realisable value is based on the estimated sales price after allowing for all further costs of completion and disposal.

A J BAKER (GRINDING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 AUGUST 2010

continued

1. ACCOUNTING POLICIES

Pensions

The company makes payments to defined contribution pension schemes, and costs are charged against profits as incurred

2. TANGIBLE ASSETS

	Total £
Cost or Valuation	
At 1 September 2009	1,878,753
Revaluation	-
At 31 August 2010	1,878,753
Depreciation	
At 1 September 2009	67,265
Provided in the year	13,810
At 31 August 2010	81,075
Net book value	
At 31 August 2010	1,797,678
At 31 August 2009	1,811,487

3. TANGIBLE INVESTMENTS

	2010 £	2009 £
Motor vehicles		
At Valuation		
At 1 September 2009	45,000	52,500
Revaluation	15,000	(7,500)
At 31 August 2010	60,000	45,000

A J BAKER (GRINDING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 AUGUST 2010

continued

4. SECURED CREDITORS

The bank overdraft of £19,417 (2009 £31,554) is secured by a fixed and floating charge in favour of the company's bankers

5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010	2009
	£	£
Borrowings Mortgage Loans	<u>476,957</u>	<u>476,957</u>

The residential investment property mortgages provided by Capital Home Loans Limited are secured on the properties to which they relate and by floating charges over the undertaking and other property assets of the company

The loans are interest only loans of 15 years duration Interest is charged at 0.1% below Bank of England base rate until December 2009 and at 1.25% above base rate thereafter

6. SHARE CAPITAL

	2010	2009
	£	£
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

7. CONTROLLING PARTIES AND TRANSACTIONS WITH DIRECTORS

The company is controlled by Mr A J Baker and Mrs C E Baker who own 100% of the issued equity shares At the balance sheet date the directors current account was in credit by £41,255 (2009 £2,191) No interest was paid on the account during the year

8. COMMITMENTS

The bank overdraft facility is secured by a fixed charge on the company's freehold properties, together with a fixed and floating charge over the company's assets The bank also holds a guarantee for an unlimited amount given by two directors