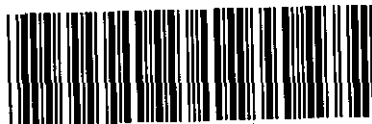


A J BAKER (GRINDING) LIMITED

ABBREVIATED ACCOUNTS

**YEAR ENDED
31 AUGUST 2006**

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COMPANIES HOUSE

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**COMPANY NO:
1268617**

A J BAKER (GRINDING) LIMITED

**ABBREVIATED BALANCE SHEET
AT 31 AUGUST 2006**

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	2	1,464,732	1,419,874
Tangible investment assets	3	169,794	75,000
		1,634,526	1,494,874
Current assets			
Stocks		99,321	76,251
Debtors		78,699	77,409
Bank and cash balances		13,972	16,692
		191,992	170,352
Creditors:			
Amounts falling due within one year		(109,832)	(136,669)
Net current assets		82,160	33,683
Total assets less current liabilities		1,716,686	1,528,557
Provision for liabilities and charges		-	(2,000)
Net assets		1,716,686	1,526,557
Capital and reserves			
Called up share capital	4	10,000	10,000
Investment property and vehicle revaluation reserve		625,257	535,871
Profit and loss account		1081,429	980,686
Shareholders' funds		1,716,686	1,526,557

The directors acknowledge their responsibilities for ensuring the company keeps accounting records that comply with s221 and preparing accounts that give a true and fair view in accordance with s226 and otherwise comply with the Companies Act. The directors confirm the company was entitled to exemption from an audit under s249A(1) and no notice was deposited under s249B(2) in relation to these accounts.

The directors have taken advantage of the special provisions of Part V11 of the Companies Act 1985 relating to small companies. On the same grounds advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part 1 Schedule 8 to that Act. The abbreviated accounts were approved by the Board on 9 January 2007 and signed on its behalf by:

ALAN JOHN BAKER
Director

A. J. Baker

A J BAKER (GRINDING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS 31 AUGUST 2006

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 January 2005).

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 fixed assets and depreciation

Depreciation is provided evenly on the cost of tangible fixed 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 2006

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 2005	1,475,053
Capital expenditure	28,624
Revaluation	29,386
Disposals	<u>(15,915)</u>
At 31 August 2006	<u>1,517,148</u>
Depreciation	
At 1 September 2005	55,179
Provided in the year	10,499
Disposals	<u>(13,262)</u>
At 31 August 2006	<u>52,416</u>
Net book value	
At 31 August 2006	<u>1,464,732</u>
At 31 August 2005	<u>1,419,874</u>

A J BAKER (GRINDING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
31 AUGUST 2006
continued

3. INVESTMENTS

	2006	2005
	£	£
Motor vehicles		
At Valuation		
At 1 September 2005	75,000	50,000
Additions	34,794	25,000
Revaluation	60,000	25,000
	<hr/>	<hr/>
At 31 August 2006	<u>169,794</u>	<u>75,000</u>

4. SHARE CAPITAL

	2006	2005
	£	£
Authorised		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

5. CONTROLLING PARTIES

The company is controlled by Mr A J Baker and Mrs C E Baker who own 100% of the issued equity shares.