

REGISTERED NUMBER: 01268617 (England and Wales)

Unaudited Financial Statements for the Year Ended 31st August 2017

for

A J Baker (Grinding) Limited



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for the Year Ended 31st August 2017**

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A J Baker (Grinding) Limited

Company Information
for the Year Ended 31st August 2017

DIRECTORS:	A J Baker Mrs C E Baker
SECRETARY:	Mrs C E Baker
REGISTERED OFFICE:	Redhouse Industrial Estate Middlemore Lane West Aldridge Walsall Staffordshire WS9 8BG
REGISTERED NUMBER:	01268617 (England and Wales)
ACCOUNTANTS:	Norris-Small Chartered Accountants 2 Camino Road Birmingham West Midlands B32 3XE
BANKERS:	Barclays Bank PLC Queen Square Wolverhampton West Midlands

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
A J Baker (Grinding) Limited

The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A J Baker (Grinding) Limited for the year ended 31st August 2017 which comprise the Income statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the Board of Directors of A J Baker (Grinding) Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of A J Baker (Grinding) Limited and state those matters that we have agreed to state to the Board of Directors of A J Baker (Grinding) Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that A J Baker (Grinding) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A J Baker (Grinding) Limited. You consider that A J Baker (Grinding) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of A J Baker (Grinding) Limited. 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 statutory financial statements.



Norris-Small Chartered Accountants
2 Camino Road
Birmingham
West Midlands
B32 3XE

Date: 18 January 2018

A J Baker (Grinding) Limited (Registered number: 01268617)

Balance Sheet
31st August 2017

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		579,220		601,483
Investments	5		322,500		247,500
Investment property	6		1,115,000		1,115,000
			<u>2,016,720</u>		<u>1,963,983</u>
CURRENT ASSETS					
Stocks	7	189,642		115,900	
Debtors: amounts falling due within one year	8	43,846		89,587	
Cash at bank and in hand		136,021		690	
		<u>369,509</u>		<u>206,177</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	216,284		147,472	
NET CURRENT ASSETS			<u>153,225</u>		<u>58,705</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,169,945		2,022,688
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	10		(476,957)		(476,957)
PROVISIONS FOR LIABILITIES			<u>(33,900)</u>		<u>(33,900)</u>
NET ASSETS			<u><u>1,659,088</u></u>		<u><u>1,511,831</u></u>

The notes form part of these financial statements

A J Baker (Grinding) Limited (Registered number: 01268617)

Balance Sheet - continued

31st August 2017

	Notes	2017		2016	
		£	£	£	£
CAPITAL AND RESERVES					
Called up share capital			10,000		10,000
Revaluation reserve	12		345,123		360,123
Retained earnings	12		1,303,965		1,141,708
			<u>1,659,088</u>		<u>1,511,831</u>
SHAREHOLDERS' FUNDS					
			<u>1,659,088</u>		<u>1,511,831</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 18 January 2018 and were signed on its behalf by:



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A J Baker - Director

Notes to the Financial Statements
for the Year Ended 31st August 2017

1. STATUTORY INFORMATION

A J Baker (Grinding) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and motor vehicles.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost

Investment property and vehicles

Investment properties and vehicles are revalued annually to reflect their open market values. Any surplus or deficit is transferred to the revaluation reserve, any deficit below original cost is recognised in the profit and loss account.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2017**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 5.

4. TANGIBLE FIXED ASSETS

	Freehold property £	Piant and machinery £	Motor vehicles £	Totals £
COST				
At 1st September 2016	705,831	56,227	5,000	767,058
Additions	-	7,473	4,250	11,723
Disposals	(18,363)	-	(3,000)	(21,363)
At 31st August 2017	<u>687,468</u>	<u>63,700</u>	<u>6,250</u>	<u>757,418</u>
DEPRECIATION				
At 1st September 2016	112,167	48,408	5,000	165,575
Charge for year	11,484	3,873	266	15,623
Eliminated on disposal	-	-	(3,000)	(3,000)
At 31st August 2017	<u>123,651</u>	<u>52,281</u>	<u>2,266</u>	<u>178,198</u>
NET BOOK VALUE				
At 31st August 2017	<u>563,817</u>	<u>11,419</u>	<u>3,984</u>	<u>579,220</u>
At 31st August 2016	<u>593,664</u>	<u>7,819</u>	<u>-</u>	<u>601,483</u>

5. FIXED ASSET INVESTMENTS

The investment motor vehicles were revalued at their estimated market value at 31 August 2017. The original cost of the investment vehicles was £271,338 (2016 £181,338).

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1st September 2016 and 31st August 2017	<u>1,115,000</u>
NET BOOK VALUE	
At 31st August 2017	<u>1,115,000</u>
At 31st August 2016	<u>1,115,000</u>

Cost or valuation at 31st August 2017 is represented by:

Valuation in 2017	<u>£</u> <u>1,115,000</u>
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Notes to the Financial Statements - continued
for the Year Ended 31st August 2017

6. INVESTMENT PROPERTY - continued

If investment properties had not been revalued they would have been included at the following historical cost:

	2017	2016
	£	£
Cost	<u>788,040</u>	<u>788,040</u>

Investment properties were valued on an open market value basis on 31st August 2017 by the directors.

7. STOCKS

	2017	2016
	£	£
Machines	130,108	77,623
Work-in-progress	59,534	38,277
	<u>189,642</u>	<u>115,900</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	32,719	78,693
Prepayments and accrued income	11,127	10,894
	<u>43,846</u>	<u>89,587</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts	-	28,025
Payments on account	67,500	-
Trade creditors	59,664	43,596
Corporation tax	68,000	47,500
Social security and other taxes	3,349	1,485
VAT	4,948	14,945
Directors' current accounts	3,047	1,176
Accruals and deferred income	9,776	10,745
	<u>216,284</u>	<u>147,472</u>

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

	2017	2016
	£	£
Bank loans more 5 yrs non-inst	<u>476,957</u>	<u>476,957</u>

A J Baker (Grinding) Limited (Registered number: 01268617)

Notes to the Financial Statements - continued
for the Year Ended 31st August 2017

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

	2017	2016
	£	£
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans more 5 yrs non-inst	476,957	476,957
	<u>476,957</u>	<u>476,957</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdraft	-	28,025
Bank loans	476,957	476,957
	<u>476,957</u>	<u>504,982</u>

The long term residential investment property mortgages are provided by Capital Home Loans Limited. The loans are of 15 year duration and interest is charged at 1.5% above Bank of England base rate. The loans are secured on the properties to which they relate and by floating charges over the undertaking and other property assets of the company.

The bank overdraft is secured by fixed charge on the company's non residential freehold properties and a floating charge over the company's assets. The bank also holds unlimited guarantees given by the two directors.

12. RESERVES

	Retained earnings	Revaluation reserve	Totals
	£	£	£
At 1st September 2016	1,141,708	360,123	1,501,831
Profit for the year	304,407	-	304,407
Dividends	(157,150)	-	(157,150)
Transfer	15,000	(15,000)	-
	<u>1,303,965</u>	<u>345,123</u>	<u>1,649,088</u>

13. ULTIMATE CONTROLLING PARTY

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