

Charles Day (Steels) Limited

**Abbreviated
Financial Statements**

31 October 2009

Company No. 1289020

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Charles Day (Steels) Limited

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Charles Day (Steels) Limited

Abbreviated Balance Sheet

at 31 October 2009

| | | 2009 | 2008 |
|--|------------------|------------------|----------------|
| | Note | £ | £ |
| Fixed Assets | 2 | | |
| Tangible assets | | 1,103,596 | 1,218,650 |
| Current Assets | | | |
| Stocks | 515,601 | 609,184 | |
| Debtors | 1,387,621 | 1,734,109 | |
| Cash at bank and in hand | 62 | 9,477 | |
| | <u>1,903,284</u> | <u>2,352,770</u> | |
| Creditors: Amounts Falling due Within One Year | <u>2,063,938</u> | <u>2,251,125</u> | |
| Net Current (Liabilities)/Assets | | <u>160,654</u> | 101,645 |
| Total Assets Less Current Liabilities | | <u>942,942</u> | 1,320,295 |
| Creditors: Amounts Falling due after More than One Year | | 527,947 | 510,005 |
| Provisions for Liabilities | | 68,865 | 70,884 |
| Government Grants | 3 | 189,750 | 246,400 |
| | | <u>156,380</u> | <u>493,006</u> |
| Capital and Reserves | | | |
| Called-up equity share capital | 4 | 21,000 | 21,000 |
| Revaluation reserve | | 6,779 | 6,490 |
| Profit and loss account | | 128,601 | 465,516 |
| Shareholders' Funds | | <u>156,380</u> | <u>493,006</u> |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) 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 financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 28 July 2010, and are signed on their behalf by


J C W Day
 Director

The notes on pages 4 to 6 form part of these financial statements

Charles Day (Steels) Limited
Notes to the Abbreviated Financial Statements
for the year ended 31 October 2009

1. Accounting policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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

| | |
|-------------------------------|---------------------------|
| Laser cutting machines | - 20% straight line |
| Motor Vehicles | - 20% reducing balance |
| Computer and office equipment | - 20% straight line |
| Other assets | - 10% - 20% straight line |

Investment Properties

In accordance with Statement of Standard Accounting Practice No 19, one of the company's properties which is held for long-term investments is included in the balance sheet at its open market value. The surplus or deficit on annual revaluation of this property is transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost of raw materials is based on actual purchase price. The cost of work in progress includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal. Stocks completed and awaiting despatch to customers are valued at selling price.

Charles Day (Steels) Limited
Notes to the Abbreviated Financial Statements
for the year ended 31 October 2009

1. Accounting Policies *(continued)*

Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and depreciated over their expected useful lives. The capital element of future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

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 a number of defined contribution pension schemes, the assets of which are held separately from those of the company. The cost of contributions made by the company to the schemes are charged to the profit and loss account as incurred.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date and are not regarded as permanent differences. A deferred tax asset is recognised only to the extent that its recovery is regarded as reasonably certain.

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.

Deferred Government Grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Charles Day (Steels) Limited
Notes to the Abbreviated Financial Statements
for the year ended 31 October 2009

2 Fixed Assets

| | Tangible Assets £ |
|---------------------------|----------------------------------|
| Cost or Valuation | |
| At 1 November 2008 | 3,680,406 |
| Additions | 111,626 |
| Disposals | (4,400) |
| Revaluation | 289 |
| At 31 October 2009 | <u>3,787,921</u> |
| Depreciation | |
| At 1 November 2008 | 2,461,756 |
| Charge for year | 224,478 |
| On disposals | (1,909) |
| At 31 October 2009 | <u>2,684,325</u> |
| Net Book Value | |
| At 31 October 2009 | <u>1,103,596</u> |
| At 31 October 2008 | <u>1,218,650</u> |

Investment property

The freehold interest in the investment property, which had an original cost of £161,296, is held subject to a 99 year lease granted in 1996 and yielding a rental of £50 per annum. It was valued by the directors on an open market existing use basis at the amount shown above.

3. Government grants

| | 2009 £ | 2008 £ |
|-------------------------|-----------------------|-----------------------|
| Received and receivable | 470,855 | 470,855 |
| Amortisation | <u>(281,105)</u> | <u>(224,455)</u> |
| | <u>189,750</u> | <u>246,400</u> |

4. Share Capital

Authorised share capital

| | 2009 £ | 2008 £ |
|--------------------------------------|-------------------------|-------------------------|
| 1,000,000 Ordinary shares of £1 each | <u>1,000,000</u> | <u>1,000,000</u> |

Allotted, called up and fully paid:

| | 2009 No | £ | 2008 No | £ |
|----------------------------|----------------------|----------------------|----------------------|----------------------|
| Ordinary shares of £1 each | <u>21,000</u> | <u>21,000</u> | <u>21,000</u> | <u>21,000</u> |