

A A J ENGINEERING LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

28TH FEBRUARY 2006

J LOCHHEAD & CO
Accountants
1 The Granary
Central Buildings
High Street
Wombourne
WV5 9DN



A A J ENGINEERING LIMITED

DIRECTORS	-	A L Smith J C Donnelly
SECRETARY	-	J C Donnelly
REGISTERED OFFICE	-	Unit 19-21 Heaton House Camden Street Hockley Birmingham
REGISTERED NUMBER	-	1989949

REPORT AND ABBREVIATED ACCOUNTS 28TH FEBRUARY 2006

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A A J ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET AS AT 28TH FEBRUARY 2006

		<u>2006</u>	<u>2005</u>
	<u>Note</u>		
<u>FIXED ASSETS</u>			
Tangible assets	(2)	10904	5561
<u>CURRENT ASSETS</u>			
Stock & Work in Progress		1000	1000
Debtors		43401	43319
Cash at Bank		6818	7075
		-----	-----
		51219	51394
		-----	-----
<u>Less CREDITORS : Amounts</u>			
<u>falling due within one year.</u>			
Creditors		21555	14907
Directors		2614	14821
		-----	-----
		24169	29728
		-----	-----
NET CURRENT ASSETS		27050	21666
		-----	-----
<u>TOTAL ASSETS LESS CURRENT</u>			
<u>LIABILITIES</u>		37954	27227
		-----	-----
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	(3)	90	90
Profit & Loss Account		37864	27137
		-----	-----
Shareholders Funds - All equity		37954	27227
		-----	-----

The notes on pages 3 - 4 form part of these financial statements.

A A J ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET AS AT 28TH FEBRUARY 2006 CONTINUED

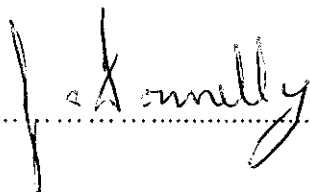
The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no members have requested an audit pursuant of subsection (2) 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for :

1. ensuring that the company keeps accounting records which comply with section 221; and
2. preparing accounts 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 section 226, and which otherwise comply with requirements of this Act relating to accounts, so far as applicable to the company.

The Financial Statements which have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies , and in accordance with the Financial Reporting Standard for smaller entities were approved by the board on 21/9/2006 and signed on its behalf.

J Donnelly
Director



The notes on pages 3 - 4 form part of these accounts.

A A J ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2006

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention in accordance with the Financial Reporting standards for Smaller Entities (effective June 2002) and include the results of the company's operations which are described in the director's report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:-

Plant & Machinery	25%	reducing balance
Motor Vehicle	25%	reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss accounts so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

A A J ENGINEERING LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2006

1.6 Stocks and work in progress

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

1.7 Research and development

Expenditure on research and development is written off in the year that it is incurred

1.8 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of directors there is reasonable probability that a liability or asset will crystallise in the near future.

2 Fixed Assets

Total

Tangible

Cost

As at 1st March 2005

52865

Addition

11568

Disposal

-6140

As at 28th February 2006

58293

Depreciation

As at 1st March 2005

47304

Charge for the year

3634

Charge written back

-3549

As at 28th February 2006

47389

Net Book Value

2006

10904

2005

5561

3 Called up Share Capital

Authorised

Ordinary Shares at £1

5000

Issued and fully paid

Ordinary Shares of £1

90
