

1989949

A A J ENGINEERING LIMITED
ACCOUNTS FOR THE YEAR ENDED
28TH FEBRUARY 2005

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 ACCOUNTS 28TH FEBRUARY 2005

PAGES	1	Report of the Directors
	2	Statement of Directors Responsibilities
	3	Profit and Loss Account
	4-5	Balance Sheet
	6-9	Notes to Accounts
.....		
		The Following pages do not form part of the statutory accounts :
	10	Detailed Profit and loss account.
	11	Notes to the detailed profit and loss account

A.A.J. ENGINEERING LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 28TH FEBRUARY 2005

The Directors present their report and the financial statements for the year ended 28th February 2005.

Principal Activities

The Principal Activity of the Company during the year continued to be that of General Engineering

The results for the year are on page 3.

The Directors consider the Companies financial affairs to be satisfactory.

Dividends

The Directors do not recommend the payment of a dividend.

Fixed Assets

Details of movements in fixed assets are set out in note (8) to the financial statements.


Directors

The Directors who served during the year and their beneficial interests in the company's issued ordinary share capital was as follows :-

	<u>Ordinary £1 Shares</u>	
	<u>At Commencement</u>	<u>At Year End</u>
A.L. Smith -	45	45
J.C. Donnelly -	45	45
	-----	-----
	90	90
	-----	-----

These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small Companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on 7th December 2005 and signed on its behalf.


.....

A. L. Smith
Director

A. A. J. ENGINEERING LIMITED

STATEMENTS OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to :-

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the preparation and detection of fraud and other irregularities.

A. A. J. ENGINEERING LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 28TH FEBRUARY 2005

	<u>2005</u>	<u>2004</u>
Turnover	121514	119739
Cost of Sales	55926	57056
	-----	-----
Gross Profit	65588	62683
Administrative Expenses	68448	67157
	-----	-----
Operating Loss	-2860	-4474
Interest Payable	17	2
	-----	-----
Loss on Ordinary activities before taxation	-2877	-4476
Taxation on loss on ordinary activities	0	0
	-----	-----
Loss on ordinary activities after taxation	-2877	-4476
Dividend	0	12000
	-----	-----
Loss for the year	-2877	-16476
Retained profit brought forward	30014	46490
	-----	-----
Retained profit carried forward	27137	30014
	-----	-----

There were no recognised gains and losses for 2005 and 2004 other than those included in the profit and loss account.

The notes on pages 6 to 9 form part of these accounts.

A. A. J. ENGINEERING LIMITED

BALANCE SHEET AS AT 28TH FEBRUARY 2005

	<u>Note</u>	<u>2005</u>	<u>2004</u>
<u>FIXED ASSETS</u>			
Tangible assets	(8)	5561	6914
<u>CURRENT ASSETS</u>			
Stock & Work in Progress	(9)	1000	935
Debtors	(10)	43319	51127
Cash at Bank	(19)	7075	67
		-----	-----
		51394	52129
		-----	-----
<u>Less CREDITORS : Amounts</u>			
<u>falling due within one year.</u>			
Corporation Tax	(6)	0	0
Creditors	(11)	14907	10222
Directors	(17)	14821	18717
		-----	-----
		29728	28939
		-----	-----
NET CURRENT ASSETS		21666	23190
		-----	-----
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		27227	30104
		-----	-----
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	(13)	90	90
Profit & Loss Account		27137	30014
		-----	-----
Shareholders Funds - All equity	(15)	27227	30104
		-----	-----

The notes on pages 6 - 9 form part of these accounts.

A. A. J. ENGINEERING LIMITED

BALANCE SHEET AS AT 28TH FEBRUARY 2005 CONTINUED

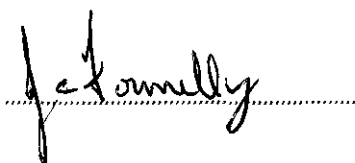
The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no members have requested an audit pursuant of subsection (2) 249B in relation to the accounts for the financial year.

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 V11 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 7th December 2005 and signed on its behalf.

J. Donnelly
Director

A handwritten signature in black ink, appearing to read 'J. Donnelly', is written over a horizontal dotted line.

The notes on pages 6 - 9 form part of these accounts.

A. A. J. ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2005

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and 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 directors 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.

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.

A. A. J. ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2005

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 a reasonable probability that a liability or asset will crystallise in the near future.

1.10 Pensions

The company does not operate a pension scheme.

2 Operating Profit

The operating profit is stated after charging :	2005	2004
Depreciation of Fixed Assets	1853	2304
Bad Debts	0	988
Profit on asset disposal	0	0

4 Directors Remuneration

Emoluments for services as directors	38395	39725
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5 Capital Commitments

There were no capital commitments at the accounting date (2004 -)

6 Taxation

UK Corporation Tax at 10%	0	0
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7 Dividends

0	12000
---	-------

8 FIXED ASSETS

	<u>Motor Van</u>	<u>Plant & M/C</u>	<u>Total</u>
<u>Cost</u>			
As at 1st March 2004	6140	46225	52365
Additions	0	500	500
	6140	46725	52865
<u>Depreciation</u>			
As at 1st March 2004	2686	42765	45451
Charge for the year	863	990	1853
	3549	43755	47304
<u>Net Book Value</u>			
2005	2591	2970	5561
2004	3454	3460	6914

A. A. J. ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2005

9	<u>Stock and Work in Progress</u>	<u>2005</u>	<u>2004</u>
	Stock	1000	935
		-----	-----
		1000	935
		-----	-----
10	<u>Debtors</u>		
	All due within one year		
	Trade	42481	50708
	Prepayments	838	419
		-----	-----
		43319	51127
		-----	-----
11	<u>Creditors Amounts falling due within one year</u>		
	Trade Creditors	7155	5030
	Social Security & Taxes	7127	4567
	Accruals	625	625
		-----	-----
		14907	10222
		-----	-----

12 **Deferred Taxation**

No provision is made for deferred taxation

The additional potential liability for deferred taxation is as follows :-

Accelerated Capital Allowances £291 (2004 -£291)

A. A. J. ENGINEERING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH FEBRUARY 2005

13 **Called up Share Capital**

Authorised

Ordinary Shares of £1 each 5000

Issued

Ordinary Shares of £1 90

14 **Contingent Liabilities**

The company had no contingent liabilities at the accounting date (2004 -)

15 **Movement on Shareholders Funds**

	<u>2005</u>	<u>2004</u>
Loss for the year	-2877	-4476
Dividend	0	-12000
Opening shareholders funds	30104	46580
	-----	-----
Closing shareholders funds	27227	30104
	-----	-----

16 **Interest Payable**

On Bank Loans and Overdrafts

Repayable within 5 years not by instalments	17	2
	-----	-----

17 **Directors Loan Account**

During the year private payments have been made on behalf of the Directors amounting to £730 (£1455-04)

The Directors have paid for items on the companys behalf amounting to £1839 (£8000-04)

18 **During the year**

The company has paid rental income for the premises amounting to £10200 (£10200) to Mrs J Donnelly the wife of one of the directors.

19 **Cash at Bank**

The Bank overdraft is secured by the personal guarantees of the directors.