

COMPANY REGISTRATION NUMBER 3787153

LINCON BATTERIES LIMITED
UNAUDITED ACCOUNTS
31 JULY 2008

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LINCON BATTERIES LIMITED

ACCOUNTS

YEAR ENDED 31 JULY 2008

CONTENTS	PAGE
The directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the accounts	4

LINCON BATTERIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JULY 2008

The directors have pleasure in presenting their report and the unaudited accounts of the company for the year ended 31 July 2008

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the manufacture and distribution of batteries

DIRECTORS

The directors who served the company during the year were as follows

Mr G D Negus
Mrs C A Negus

DONATIONS

During the year the company made the following contributions

	2008	2007
	£	£
Charitable	<u>2,869</u>	<u>2,565</u>

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
Faraday Road
25/26 Faraday Road
Leigh-on-sea
Essex
SS9 5JU

Signed by order of the directors



MRS C A NEGUS
Company Secretary

Approved by the directors on 25/10/08

LINCON BATTERIES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JULY 2008

	Note	2008 £	2007 £
TURNOVER		1,049,669	796,239
Cost of sales		(886,413)	(641,529)
GROSS PROFIT		163,256	154,710
Distribution costs		(4,637)	(3,791)
Administrative expenses		(80,917)	(101,758)
OPERATING PROFIT	2	77,702	49,161
Interest receivable		1,855	2,376
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		79,557	51,537
Tax on profit on ordinary activities	4	(16,954)	(10,679)
PROFIT FOR THE FINANCIAL YEAR		<u>62,603</u>	<u>40,858</u>

The notes on pages 4 to 9 form part of these accounts

LINCON BATTERIES LIMITED

BALANCE SHEET

31 JULY 2008

	Note	2008 £	£	2007 £	£
FIXED ASSETS					
Intangible assets	6		1		1
Tangible assets	7		9,691		11,309
			<u>9,692</u>		<u>11,310</u>
CURRENT ASSETS					
Stocks		167,541		127,574	
Debtors	8	163,494		183,968	
Cash at bank and in hand		<u>50,320</u>		<u>37,946</u>	
		381,355		349,488	
CREDITORS: Amounts falling due within one year	10	<u>(192,224)</u>		<u>(180,303)</u>	
NET CURRENT ASSETS			<u>189,131</u>		<u>169,185</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>198,823</u>		<u>180,495</u>
CAPITAL AND RESERVES					
Called-up equity share capital	13		12		12
Profit and loss account	14		<u>198,811</u>		<u>180,483</u>
SHAREHOLDERS' FUNDS			<u>198,823</u>		<u>180,495</u>

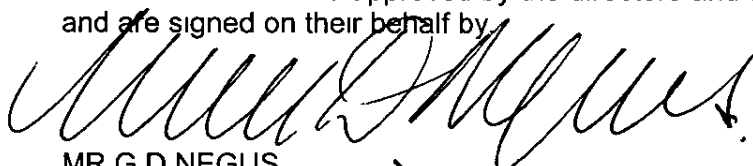
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 the requirements of the Act relating to accounts, so far as applicable to the company

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

These accounts were approved by the directors and authorised for issue on 25/1/2008, and are signed on their behalf by



MR G D NEGUS
Director

The notes on pages 4 to 9 form part of these accounts

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable

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

Leasehold property	- 10% straight line
Plant and machinery	- 20% straight line
Motor vehicles	- 25% straight line
Equipment	- 15% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value

Hire purchase agreements

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2008	2007
	£	£
Depreciation of owned fixed assets	3,081	5,643
Profit on disposal of fixed assets	<u>(7,498)</u>	<u>(800)</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2008 £	2007 £
Aggregate emoluments	4,620	4,801
Value of company pension contributions to money purchase schemes	1,500	3,600
	<u>6,120</u>	<u>8,401</u>

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2008 £	2007 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year	16,487	10,219
Total current tax	16,487	10,219
Deferred tax		
Origination and reversal of timing differences (note 9)		
Capital allowances	467	460
Tax on profit on ordinary activities	<u>16,954</u>	<u>10,679</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20 33% (2007 - 19 34%)

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>79,557</u>	<u>51,537</u>
Profit on ordinary activities by rate of tax	16,174	9,967
Disallowable expenditure	610	564
Excess of capital allowances over depreciation	(382)	(410)
Charges on income	85	98
Total current tax (note 4(a))	<u>16,487</u>	<u>10,219</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

5. DIVIDENDS

Equity dividends

	2008 £	2007 £
Paid during the year		
Equity dividends on ordinary shares	<u>44,275</u>	<u>40,336</u>

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 August 2007 and 31 July 2008	<u>1</u>
AMORTISATION	
At 1 August 2007 and 31 July 2008	<u>—</u>
NET BOOK VALUE	
At 31 July 2008	<u>1</u>
At 31 July 2007	<u>1</u>

This represents goodwill purchased on acquisition of the trade from Lincon Batteries Partnership

7. TANGIBLE FIXED ASSETS

	Leasehold Property Costs £	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
COST					
At 1 August 2007	5,111	49,993	18,807	9,064	82,975
Additions	—	—	—	1,465	1,465
Disposals	—	—	(13,057)	—	(13,057)
At 31 July 2008	<u>5,111</u>	<u>49,993</u>	<u>5,750</u>	<u>10,529</u>	<u>71,383</u>
DEPRECIATION					
At 1 August 2007	2,044	47,378	14,493	7,751	71,666
Charge for the year	511	721	1,438	411	3,081
On disposals	—	—	(13,055)	—	(13,055)
At 31 July 2008	<u>2,555</u>	<u>48,099</u>	<u>2,876</u>	<u>8,162</u>	<u>61,692</u>
NET BOOK VALUE					
At 31 July 2008	<u>2,556</u>	<u>1,894</u>	<u>2,874</u>	<u>2,367</u>	<u>9,691</u>
At 31 July 2007	<u>3,067</u>	<u>2,615</u>	<u>4,314</u>	<u>1,313</u>	<u>11,309</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

8. DEBTORS

	2008	2007
	£	£
Trade debtors	154,780	173,448
Other debtors	8,404	9,743
Deferred taxation (note 9)	310	777
	<u>163,494</u>	<u>183,968</u>

9. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2008	2007
	£	£
Included in debtors (note 8)	<u>310</u>	<u>777</u>

The movement in the deferred taxation account during the year was:

	2008	2007
	£	£
Balance brought forward	777	1,237
Profit and loss account movement arising during the year	(467)	(460)
Balance carried forward	<u>310</u>	<u>777</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of

	2008	2007
	£	£
Excess of depreciation over taxation allowances	<u>310</u>	<u>777</u>
	<u>310</u>	<u>777</u>

10. CREDITORS: Amounts falling due within one year

	2008	2007
	£	£
Overdrafts	—	2,410
Trade creditors	163,258	146,632
Corporation tax	16,487	10,219
Other taxation and social security	9,779	18,342
Other creditors	2,700	2,700
	<u>192,224</u>	<u>180,303</u>

11. TRANSACTIONS WITH THE DIRECTORS

Included within 'Other debtors' is the loan provided to G D Negus, a director of the company. The balance owed to the company at the year end was £1,381 and maximum amount outstanding at any point in the year, was £5,573.

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2008

12. RELATED PARTY TRANSACTIONS

The company was under the control of Mr G D Negus throughout the current and previous year Mr G D Negus is the managing director and majority shareholder

13. SHARE CAPITAL

Authorised share capital:

	2008	2007
	£	£
50,000 Ordinary 'A' shares of £1 each	50,000	50,000
50,000 Ordinary 'B' shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary 'A' shares of £1 each	10	10	10	10
Ordinary 'B' shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>

'A' ordinary and 'B' ordinary shares rank pari pasu in all respects

14. PROFIT AND LOSS ACCOUNT

	2008	2007
	£	£
Balance brought forward	180,483	179,961
Profit for the financial year	62,603	40,858
Equity dividends	<u>(44,275)</u>	<u>(40,336)</u>
Balance carried forward	<u>198,811</u>	<u>180,483</u>