

COMPANY REGISTRATION NUMBER 3787153

LINCON BATTERIES LIMITED
UNAUDITED ACCOUNTS
31 JULY 2009



LINCON BATTERIES LIMITED

ACCOUNTS

YEAR ENDED 31 JULY 2009

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LINCON BATTERIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JULY 2009

The directors have pleasure in presenting their report and the unaudited accounts of the company for the year ended 31 July 2009.

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:

	2009	2008
	£	£
Charitable donations	<u>5,229</u>	<u>2,869</u>

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

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 12/10/09

LINCON BATTERIES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JULY 2009

	Note	2009 £	2008 £
TURNOVER		922,773	1,049,669
Cost of sales		<u>744,573</u>	<u>886,413</u>
GROSS PROFIT		178,200	163,256
Distribution costs		3,924	4,637
Administrative expenses		<u>97,132</u>	<u>80,917</u>
OPERATING PROFIT	2	<u>77,144</u>	<u>77,702</u>
Interest receivable		333	1,855
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>77,477</u>	<u>79,557</u>
Tax on profit on ordinary activities	4	<u>17,276</u>	<u>16,954</u>
PROFIT FOR THE FINANCIAL YEAR		<u>60,201</u>	<u>62,603</u>

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

LINCON BATTERIES LIMITED

BALANCE SHEET

31 JULY 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Intangible assets	6	1	1
Tangible assets	7	9,913	9,691
		<u>9,914</u>	<u>9,692</u>
CURRENT ASSETS			
Stocks		155,978	167,541
Debtors	8	132,984	163,494
Cash at bank and in hand		36,881	50,320
		<u>325,843</u>	<u>381,355</u>
CREDITORS: Amounts falling due within one year	9	(104,740)	(192,224)
NET CURRENT ASSETS		<u>221,103</u>	<u>189,131</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>231,017</u>	<u>198,823</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	10	(206)	-
		<u>230,811</u>	<u>198,823</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	12	12
Profit and loss account	14	230,799	198,811
SHAREHOLDERS' FUNDS		<u>230,811</u>	<u>198,823</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 accounts 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.

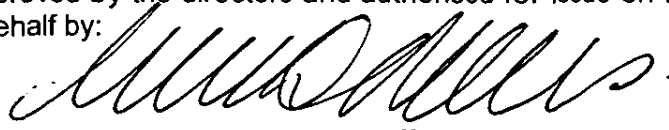
The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 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 sections 394 and 395, 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 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 12/10/09 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 2009

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 April 2008).

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.

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:

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2009

1. ACCOUNTING POLICIES *(continued)*

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.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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):

	2009	2008
	£	£
Depreciation of owned fixed assets	4,377	3,081
Profit on disposal of fixed assets	—	(7,498)
Net loss on foreign currency translation	<u>1,171</u>	<u>—</u>

3. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2009	2008
	£	£
Aggregate remuneration	4,620	4,620
Value of company pension contributions to money purchase schemes	<u>—</u>	<u>1,500</u>
	<u>4,620</u>	<u>6,120</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2009

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	16,760	16,487
Total current tax	16,760	16,487
Deferred tax:		
Origination and reversal of timing differences (note 10)		
Capital allowances	516	467
Tax on profit on ordinary activities	<u>17,276</u>	<u>16,954</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 21% (2008 - 20.33%).

	2009 £	2008 £
Profit on ordinary activities before taxation	<u>77,477</u>	<u>79,557</u>
Profit on ordinary activities by rate of tax	16,270	16,174
Disallowable expenditure	898	610
Excess of capital allowances over depreciation	(408)	(382)
Charges on income	-	85
Total current tax (note 4(a))	<u>16,760</u>	<u>16,487</u>

5. DIVIDENDS

Equity dividends

	2009 £	2008 £
Paid during the year:		
Equity dividends on ordinary shares	<u>28,213</u>	<u>44,275</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2009

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 August 2008 and 31 July 2009	<u>1</u>
AMORTISATION	
At 1 August 2008 and 31 July 2009	<u>—</u>
NET BOOK VALUE	
At 31 July 2009	<u>1</u>
At 31 July 2008	<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 2008	5,111	49,993	5,750	10,529	71,383
Additions	<u>—</u>	<u>3,919</u>	<u>—</u>	<u>680</u>	<u>4,599</u>
At 31 July 2009	<u>5,111</u>	<u>53,912</u>	<u>5,750</u>	<u>11,209</u>	<u>75,982</u>
DEPRECIATION					
At 1 August 2008	2,555	48,099	2,876	8,162	61,692
Charge for the year	<u>511</u>	<u>1,477</u>	<u>1,438</u>	<u>951</u>	<u>4,377</u>
At 31 July 2009	<u>3,066</u>	<u>49,576</u>	<u>4,314</u>	<u>9,113</u>	<u>66,069</u>
NET BOOK VALUE					
At 31 July 2009	<u>2,045</u>	<u>4,336</u>	<u>1,436</u>	<u>2,096</u>	<u>9,913</u>
At 31 July 2008	<u>2,556</u>	<u>1,894</u>	<u>2,874</u>	<u>2,367</u>	<u>9,691</u>

8. DEBTORS

	2009 £	2008 £
Trade debtors	118,566	154,780
Other debtors	14,418	8,404
Deferred taxation (note 10)	<u>—</u>	<u>310</u>
	<u>132,984</u>	<u>163,494</u>

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2009

9. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	69,243	163,258
Corporation tax	16,760	16,487
Other taxation and social security	15,737	9,779
Other creditors	3,000	2,700
	<u>104,740</u>	<u>192,224</u>

10. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows:

	2009 £	2008 £
Included in debtors (note 8)	-	(310)
Included in provisions	206	-
	<u>206</u>	<u>(310)</u>

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

	2009 £	2008 £
Balance brought forward	(310)	(777)
Profit and loss account movement arising during the year	516	467
Balance carried forward	<u>206</u>	<u>(310)</u>

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

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	206	(310)
	<u>206</u>	<u>(310)</u>

11. TRANSACTIONS WITH THE DIRECTORS

During 2008 a non interest bearing loan of £7,573 was provided to G D Negus, a director of the company, of which £6,192 was repaid during the year ended 31 July 2008. A further £1,381 was repaid during the year ended 31 July 2009.

Included within 'Other debtors' is a non interest bearing loan of £3,000 which was provided to G D Negus in August 2008.

During the year total dividends of £25,387 and £2,826 were voted to G D Negus and C A Negus respectively. G D Negus and C A Negus are directors of the company.

LINCON BATTERIES LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JULY 2009

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:

	2009 £	2008 £
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:

	2009 No	£	2008 No	£
Ordinary 'A' shares of £1 each	10	10	10	10
Ordinary 'B' shares of £1 each	2	2	2	2
	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>

'A' ordinary and 'B' ordinary shares rank pari passu in all respects.

14. PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
Balance brought forward	198,811	180,483
Profit for the financial year	60,201	62,603
Equity dividends	(28,213)	(44,275)
Balance carried forward	<u>230,799</u>	<u>198,811</u>