

# IGC Engineering Ltd

Directors' Report and Unaudited Financial Statements

for the Year Ended 30 November 2010

Harrison Salmon Associates  
Chartered Certified Accountants  
7 Towngate  
Leyland  
Lancashire  
PR25 2EN

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**IGC Engineering Ltd**  
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**IGC Engineering Ltd**  
**Company Information**

**Director** Mr C Hamlett

**Registered office** 7 Towngate  
Leyland  
Lancashire  
PR25 2EN

**Accountants** Harrison Salmon Associates  
Chartered Certified Accountants  
7 Towngate  
Leyland  
Lancashire  
PR25 2EN

**IGC Engineering Ltd**  
**Directors' Report for the Year Ended 30 November 2010**

The directors present their report and the unaudited financial statements for the year ended 30 November 2010

**Directors of the company**

The directors who held office during the year were as follows

Mr C Hamlett

Mr C Hamlett - Company Secretary

**Principal activity**

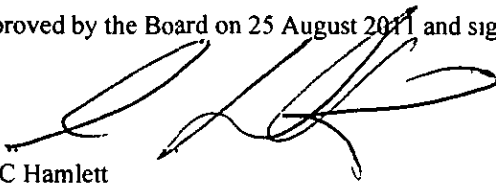
The principal activity of the company is Engineering

**Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 25 August 2011 and signed on its behalf by

Mr C Hamlett  
Director

A handwritten signature in black ink, appearing to be 'C Hamlett', written over a horizontal line.

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation of  
the Unaudited Statutory Accounts of  
IGC Engineering Ltd  
for the Year Ended 30 November 2010**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of IGC Engineering Ltd for the year ended 30 November 2010 set out on pages 4 to 10 from the company's accounting records and from information and explanations you have given us

As a member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com>

This report is made solely to the Board of Directors of IGC Engineering Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of IGC Engineering Ltd and state those matters that we have agreed to state to them, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than IGC Engineering Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that IGC Engineering Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of IGC Engineering Ltd. You consider that IGC Engineering Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of IGC Engineering Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

A handwritten signature in black ink, appearing to read 'Harrison Salmon Associates', is written over a horizontal line.

Harrison Salmon Associates  
Chartered Certified Accountants  
7 Towngate  
Leyland  
Lancashire  
PR25 2EN

25 August 2011

**IGC Engineering Ltd**  
**Profit and Loss Account for the Year Ended 30 November 2010**

	Note	2010 £	2009 £
Turnover		309,222	501,939
Cost of sales		<u>(91,117)</u>	<u>(194,146)</u>
Gross profit		218,105	307,793
Administrative expenses		<u>(48,718)</u>	<u>(53,364)</u>
Operating profit	2	169,387	254,429
Interest payable and similar charges		<u>-</u>	<u>(64)</u>
Profit on ordinary activities before taxation		169,387	254,365
Tax on profit on ordinary activities	4	<u>(38,410)</u>	<u>(53,996)</u>
Profit for the financial year	13	<u><u>130,977</u></u>	<u><u>200,369</u></u>

The company has no recognised gains or losses for the year other than the results above

**IGC Engineering Ltd**  
**(Registration number: 04580729)**  
**Balance Sheet at 30 November 2010**

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Intangible fixed assets	5	15,000	15,000
Tangible fixed assets	6	7,278	9,705
		<u>22,278</u>	<u>24,705</u>
<b>Current assets</b>			
Stocks	7	13,800	13,800
Debtors	8	54,582	45,000
Cash at bank and in hand		358,771	277,438
		<u>427,153</u>	<u>336,238</u>
Creditors Amounts falling due within one year	9	(49,602)	(60,068)
Net current assets		<u>377,551</u>	<u>276,170</u>
Total assets less current liabilities		399,829	300,875
Creditors Amounts falling due after more than one year	10	-	(2,023)
Net assets		<u>399,829</u>	<u>298,852</u>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Profit and loss account	13	399,828	298,851
Shareholders' funds		<u>399,829</u>	<u>298,852</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008)

For the year ending 30 November 2010 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the Board on 25 August 2011 and signed on its behalf by



Mr C Hamlett  
Director

The notes on pages 6 to 10 form an integral part of these financial statements

# IGC Engineering Ltd

## Notes to the Financial Statements for the Year Ended 30 November 2010

### 1 Accounting policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

#### Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

#### Amortisation

Goodwill has not been amortised

Asset class	Amortisation method and rate
Goodwill	None

#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Motor Vehicles	25% Reducing Balance
Office Equipment	25% Reducing Balance

#### Stocks, work in progress and long-term contracts

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

#### Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account



# IGC Engineering Ltd

## Notes to the Financial Statements for the Year Ended 30 November 2010

..... continued

### 2 Operating profit

Operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets	<u>2,427</u>	<u>3,236</u>

### 3 Directors' remuneration

The directors' remuneration for the year was as follows

	2010 £	2009 £
Remuneration	<u>5,000</u>	<u>5,000</u>

### 4 Taxation

Tax on profit on ordinary activities

	2010 £	2009 £
<b>Current tax</b>		
Corporation tax charge	<u>38,410</u>	<u>53,996</u>

### 5 Intangible fixed assets

	Goodwill £	Total £
<b>Cost</b>		
At 1 December 2009	<u>15,000</u>	<u>15,000</u>
At 30 November 2010	15,000	15,000
<b>Amortisation</b>		
At 30 November 2010	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 30 November 2010	<u>15,000</u>	<u>15,000</u>
At 30 November 2009	<u>15,000</u>	<u>15,000</u>

# IGC Engineering Ltd

## Notes to the Financial Statements for the Year Ended 30 November 2010

..... *continued*

### Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 December 2009	<u>11,881</u>	<u>14,988</u>	<u>26,869</u>
<b>Depreciation</b>			
At 1 December 2009	5,198	11,966	17,164
Charge for the year	<u>1,671</u>	<u>756</u>	<u>2,427</u>
At 30 November 2010	<u>6,869</u>	<u>12,722</u>	<u>19,591</u>
<b>Net book value</b>			
At 30 November 2010	<u>5,012</u>	<u>2,266</u>	<u>7,278</u>
At 30 November 2009	<u>6,683</u>	<u>3,022</u>	<u>9,705</u>

### 7 Stocks

	2010 £	2009 £
Stocks	<u>13,800</u>	<u>13,800</u>

### 8 Debtors

	2010 £	2009 £
Other debtors	<u>54,582</u>	<u>45,000</u>
	<u>54,582</u>	<u>45,000</u>

### 9 Creditors: Amounts falling due within one year

	2010 £	2009 £
Corporation tax	38,411	53,996
Other taxes and social security	7,101	5,322
Other creditors	<u>4,090</u>	<u>750</u>
	<u>49,602</u>	<u>60,068</u>

# IGC Engineering Ltd

## Notes to the Financial Statements for the Year Ended 30 November 2010

..... continued

### 10 Creditors: Amounts falling due after more than one year

	2010 £	2009 £
Other creditors	-	2,023

### 11 Share capital

#### Allotted, called up and fully paid shares

	2010		2009	
	No.	£	No.	£
Ordinary Shares of £1 each	1	1	1	1

### 12 Dividends

	2010 £	2009 £
<b>Dividends paid</b>		
Prior year final dividend paid	30,000	-
Current year interim dividend paid	-	8,000
	30,000	8,000

### 13 Reserves

	Profit and loss account £	Total £
At 1 December 2009	298,851	298,851
Profit for the year	130,977	130,977
Dividends	(30,000)	(30,000)
At 30 November 2010	399,828	399,828

# **IGC Engineering Ltd**

## **Notes to the Financial Statements for the Year Ended 30 November 2010**

**..... continued**

### **14 Commitments**

#### **Operating lease commitments**

As at 30 November 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

<b>2010</b>	<b>2009</b>
<b>£</b>	<b>£</b>

### **15 Control**

The company is controlled by the directors who own 100% of the called up share capital

**IGC Engineering Ltd**  
**Detailed Profit and Loss Account for the Year Ended 30 November 2010**

	2010	2009
	£	£
Turnover (analysed below)	309,222	501,939
Cost of sales (analysed below)	<u>(91,117)</u>	<u>(194,146)</u>
Gross profit	<u>218,105</u>	<u>307,793</u>
Gross profit (%)	70 53%	61 32%
<b>Administrative expenses</b>		
Employment costs (analysed below)	5,000	5,000
Establishment costs (analysed below)	5,156	3,380
General administrative expenses (analysed below)	36,131	41,564
Finance charges (analysed below)	4	184
Depreciation costs (analysed below)	<u>2,427</u>	<u>3,236</u>
	(48,718)	(53,364)
Interest payable and similar charges (analysed below)	<u>-</u>	<u>(64)</u>
Profit on ordinary activities before taxation	<u><u>169,387</u></u>	<u><u>254,365</u></u>

**IGC Engineering Ltd**  
**Detailed Profit and Loss Account for the Year Ended 30 November 2010**

	2010 £	2009 £
<b>Turnover</b>		
Sales, UK	<u>309,222</u>	<u>501,939</u>
	<u>309,222</u>	<u>501,939</u>
<b>Cost of sales</b>		
Purchases	78,552	181,748
Rent	<u>12,565</u>	<u>12,398</u>
	<u>91,117</u>	<u>194,146</u>

# IGC Engineering Ltd

## Detailed Profit and Loss Account for the Year Ended 30 November 2010

..... continued

	2010 £	2009 £
<b>Employment costs</b>		
Directors remuneration	5,000	5,000
<b>Establishment costs</b>		
Rates	599	700
Light, heat and power	963	1,021
Insurance	1,811	1,317
Repairs and maintenance	1,783	342
	5,156	3,380
<b>General administrative expenses</b>		
Telephone and fax	1,930	2,019
Printing, postage and stationery	460	1,124
Charitable donations	250	-
Hire of plant and machinery	14,443	20,812
Accountancy fees	1,237	1,125
Legal and professional fees	7,036	9,106
Motor expenses	9,844	5,796
Advertising	-	668
Travel and subsistence	931	914
	36,131	41,564
<b>Finance charges</b>		
Bank charges	4	184
<b>Depreciation costs</b>		
Depreciation of motor vehicles	1,671	2,228
Depreciation of office equipment	756	1,008
	2,427	3,236
<b>Interest payable and similar charges</b>		
Bank interest payable	-	64
	-	64