

COMPANY REGISTRATION NUMBER 4814761

**AAG SWEPCO LTD**  
**UNAUDITED ABBREVIATED**  
**ACCOUNTS**  
**30 SEPTEMBER 2007**

**GILCHRIST TASH**

Chartered Accountants  
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SATURDAY



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COMPANIES HOUSE

# **AAG SWEPCO LTD**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 30 SEPTEMBER 2007**

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# AAG SWEPCO LTD

## ABBREVIATED BALANCE SHEET

30 SEPTEMBER 2007

	Note	2007	2006
		£	£
<b>FIXED ASSETS</b>	<b>2</b>		
Tangible assets		43,887	-
Investments		<u>134,307</u>	<u>-</u>
		178,194	-
<b>CURRENT ASSETS</b>			
Stocks		59,599	7,599
Debtors		1,054,776	9,273
Cash at bank and in hand		<u>180</u>	<u>3,006</u>
		1,114,555	19,878
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	<u>682,711</u>	<u>48,919</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>431,844</u>	<u>(29,041)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>610,038</u>	<u>(29,041)</u>

The Balance sheet continues on the following page.

The notes on pages 3 to 5 form part of these abbreviated accounts

# AAG SWEPCO LTD

## ABBREVIATED BALANCE SHEET *(continued)*

30 SEPTEMBER 2007

	Note	2007 £	2006 £
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	4	50,220	180
Share premium account		502,728	-
Revaluation reserve		101,007	-
Profit and loss account		(43,917)	(29,221)
<b>SHAREHOLDERS' FUNDS/(DEFICIT)</b>		<u>610,038</u>	<u>(29,041)</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 financial statements 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 financial statements 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 financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on the **22.2.08** and are signed on their behalf by

  
M JEFFRIES

The notes on pages 3 to 5 form part of these abbreviated accounts

# **AAG SWEPCO LTD**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 30 SEPTEMBER 2007**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### **Turnover**

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

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

#### **Research and development**

Research and development expenditure is written off in the year in which it is incurred.

#### **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:

Plant and Machinery etc                      -    25% reducing balance

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **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.

# AAG SWEPCO LTD

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2007

### 1. ACCOUNTING POLICIES *(continued)*

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

### 2. FIXED ASSETS

	<b>Tangible Assets £</b>	<b>Investments £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>			
Additions	43,987	33,300	77,287
Revaluation	—	101,007	101,007
<b>At 30 September 2007</b>	<u>43,987</u>	<u>134,307</u>	<u>178,294</u>
<b>DEPRECIATION</b>			
Charge for year	100	—	100
<b>At 30 September 2007</b>	<u>100</u>	<u>—</u>	<u>100</u>
<b>NET BOOK VALUE</b>			
<b>At 30 September 2007</b>	<u>43,887</u>	<u>134,307</u>	<u>178,194</u>
At 30 September 2006	<u>—</u>	<u>—</u>	<u>—</u>

The company owns 100% of the issued share capital of 100 ordinary £1 shares in AAG Electrical Ltd, a company operating in electrical contracting. At 30 September 2007 the net assets of AAG Electrical Ltd were £134,307 (2006 - £445) and that company made a profit for the year then ended of £133,862 (2006 - £10,496)

### 3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	<b>2007 £</b>	<b>2006 £</b>
Bank loans and overdrafts	<u>48,775</u>	<u>—</u>

# AAG SWEPCO LTD

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2007

### 4. SHARE CAPITAL

#### Authorised share capital:

	2007	2006
	£	£
1,000 Ordinary shares of £1 each	-	1,000
3,000,000 Ordinary shares of £0 03 each	90,000	-
	<u>90,000</u>	<u>1,000</u>

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

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	-	-	180	180
Ordinary shares of £0 03 each	<u>1,673,992</u>	<u>50,220</u>	<u>-</u>	<u>-</u>
	<u>1,673,992</u>	<u>50,220</u>	<u>180</u>	<u>180</u>

In October 2006 the company issued 6,480 ordinary £1 shares, £3,210 remains unpaid at 30 September 2007

At 30 September 2007 the ordinary share capital of the company was converted from 6,660 ordinary shares of £1 each to 222,000 ordinary shares of £0 03 each with the nominal value of the shares remaining at £6,660

The company issued 1,110,000 ordinary £0 03 shares in exchange for 100% of the 100 ordinary £1 shares in AAG Electrical Ltd on 30 September 2007 creating share capital of £33,300 Part of the loan due to a director was converted at that date into 59,000 ordinary £0 03 shares, comprising share capital of £1,770 and a share premium of £86,730

On 30 September 2007 a further 282,992 ordinary £0 03 shares were issued at a price of £1 50 per share creating share capital of £8,490 and a share premium of £415,998

## AAG Swepeco Limited

### Annual Accounts to 30th September 2007

#### Chairman's Letter

The year just ended 2006 - 2007 has been an eventful year for AAG Swepeco Limited. On the 30th September 2007 the company

- (a) completed a new fund raising round, raising £500k of equity,
- (b) merged with AAG Electrical Limited by acquiring the business and assets of AAG Electrical Limited in a share transaction, and
- (c) strengthened the board with additional executive and non executive appointments

These actions were taken as a result of discussions between the directors of both AAG Swepeco Limited, and AAG Electrical Limited, as many resources were already shared, and as the basic service of both companies is the provision of high quality electrical installation, it was agreed that the unification of the company was the best way in which to take the business of both companies forward

The directors recognise that there are significant opportunities for the unified company in both E&I subcontracting, and in the sale and installation of Micro-renewable energy sources. It is the intention of the directors of AAG Swepeco Limited to take full advantage of these opportunities

The accounts for the Year ended 30th September 2007, as submitted to Companies House reflect the acquisition of AAG Electrical on 30th September 2007, and the "hive-up" of the business of AAG Electrical into AAG Swepeco. It should be noted, however, that the sales turnover of the unified company (AAG Swepeco Limited with AAG Electrical Limited) was £1.7 million in the year ended 30th September 2007.

AAG Swepeco's sales budget for 2007/2008 is £4.8 million. Since the end of the last financial year the directors, to manage the rapid expansion required, have strengthened the executive management and organisation of the company, put in place even stronger management policies and procedures, and continues to build its resource of project managers.

In addition to the actions listed above, the company has also secured substantial overdraft backing from its bankers to fund much of the working capital required by a rapidly growing company.

At the time of writing this report I have satisfaction in saying that AAG Swepeco Limited is well on course to achieving its 2007/2008 sales and income objectives and looks forward with confidence to achieving equally strong and profitable growth in subsequent years.



DR M. JEFFRIES  
Chairman

DATE 22.2.08..