

A. V. POUND & CO LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

Registered number: 00438249

THE WELLS PARTNERSHIP
Chartered Accountants & Registered Auditors
The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE



A. V. POUND & CO LIMITED

INDEPENDENT AUDITORS' REPORT TO A. V. POUND & CO LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of A. V. Pound & Co Limited for the year ended 31 December 2006 set out on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2006 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.

The Wells Partnership

THE WELLS PARTNERSHIP

Chartered Accountants
Registered Auditors

The Old Rectory
Church Street
Weybridge
Surrey
KT13 8DE

Date: 11/4/07

A. V. POUND & CO LIMITED

ABBREVIATED BALANCE SHEET
As at 31 December 2006

	Note	£	2006 £	As restated 2005 £	£
FIXED ASSETS					
Tangible fixed assets	2		162,621		169,704
Fixed asset investments	3		100		100
			<u>162,721</u>		<u>169,804</u>
CURRENT ASSETS					
Stocks		282,430		245,441	
Debtors		1,841,203		1,199,043	
Cash at bank and in hand		19,929		56	
		<u>2,143,562</u>		<u>1,444,540</u>	
CREDITORS: amounts falling due within one year	4	(2,120,007)		(1,386,404)	
NET CURRENT ASSETS			<u>23,555</u>		<u>58,136</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>186,276</u>		<u>227,940</u>
CREDITORS: amounts falling due after more than one year			(99,689)		(154,383)
NET ASSETS			<u><u>86,587</u></u>		<u><u>73,557</u></u>
CAPITAL AND RESERVES					
Called up share capital	5		76,072		76,072
Capital redemption reserve			24,928		24,928
Profit and loss account			(14,413)		(27,443)
SHAREHOLDERS' FUNDS			<u><u>86,587</u></u>		<u><u>73,557</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 11/4/07


F V Pound
Director

The notes on pages 3 to 6 form part of these financial statements.

A. V. POUND & CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of rosin and terpene products supplied, exclusive of Value Added Tax and trade discounts.

1.3 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.4 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:

Leasehold Property	-	2.5% straight line
Equipment	-	10 - 20% straight line

1.5 OPERATING LEASES

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 STOCKS

Stocks 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 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

A. V. POUND & CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

1. ACCOUNTING POLICIES (continued)

1.8 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.9 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TANGIBLE FIXED ASSETS

	£
COST	
At 1 January 2006	226,266
Additions	5,785
	<hr/>
At 31 December 2006	232,051
DEPRECIATION	
At 1 January 2006	56,562
Charge for the year	12,868
	<hr/>
At 31 December 2006	69,430
NET BOOK VALUE	
At 31 December 2006	162,621
	<hr/>
At 31 December 2005	169,704
	<hr/>

3. FIXED ASSET INVESTMENTS

	£
COST OR VALUATION	
At 1 January 2006 and 31 December 2006	100
	<hr/>

A. V. POUND & CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2006

3. FIXED ASSET INVESTMENTS (continued)

SUBSIDIARY UNDERTAKING

The following was a 100% owned subsidiary undertaking of the company:

A V Pound & Co (Asia) Limited

The aggregate of the share capital and reserves as at 30 June 2006 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
A V Pound & Co (Asia) Limited	57	-

A V Pound & Co (Asia) Limited's year end is 30 June which is not co-terminus with the holding company. The directors see no reason to change the year end to that of the holding company because consolidated accounts are not required.

A V Pound & Co (Asia) Limited is dormant.

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

There are aggregate secured bank borrowings of £89,266 (2005 - £332,449). These are secured by a fixed and floating charge on the company's assets including the leasehold property.

There are advances under the confidential discounting agreement of £362,462 (2005 - £Nil) which are secured on the company's trade debtors.

5. SHARE CAPITAL

	2006 £	2005 £
AUTHORISED		
100,000 Ordinary shares of £1 each	100,000	100,000
1,000 Preference shares of £1 each	1,000	1,000
	<u>101,000</u>	<u>101,000</u>
ALLOTTED, CALLED UP AND FULLY PAID		
75,572 Ordinary shares of £1 each	75,572	75,572
500 Preference shares of £1 each	500	500
	<u>76,072</u>	<u>76,072</u>

A. V. POUND & CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2006

5. SHARE CAPITAL (continued)

The Preference shares carry a right to fixed cumulative preferential dividends at the rate of 5% per annum. This has not been provided for due to the losses in prior years.

In addition they confer a right to priority in the return of capital upon a winding up. They have no further rights to participate in profits or assets.