

**WILLIAM SPROTT (PORTADOWN) LIMITED**

**UNAUDITED ABBREVIATED ACCOUNTS**

**31 DECEMBER 2009**

THURSDAY



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## INDEPENDENT ACCOUNTANTS' REPORT TO THE DIRECTORS OF WILLIAM SPROTT (PORTADOWN) LIMITED YEAR ENDED 31 DECEMBER 2009

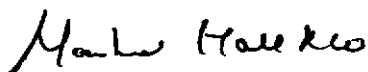
In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in Ireland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 December 2009 your duty to ensure that the company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. 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 financial statements.



25 May 2010

Moorhead Hall & Co  
Reporting Accountants

52 Bridge Street, Portadown

# ABBREVIATED BALANCE SHEET

## 31 DECEMBER 2009

|                                                       | Note     | £                | 2009<br>£        | 2008<br>£        |
|-------------------------------------------------------|----------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                                   | <b>2</b> |                  |                  |                  |
| Intangible assets                                     |          |                  | -                | -                |
| Tangible assets                                       |          |                  | 702,537          | 747,465          |
| Investments                                           |          |                  | 250              | 250              |
|                                                       |          |                  | <u>702,787</u>   | <u>747,715</u>   |
| <b>CURRENT ASSETS</b>                                 |          |                  |                  |                  |
| Stocks                                                |          | 38,499           |                  | 26,670           |
| Debtors                                               |          | 502,371          |                  | 391,235          |
| Investments                                           |          | 500              |                  | 500              |
| Cash at bank and in hand                              |          | 889,683          |                  | 1,084,349        |
|                                                       |          | <u>1,431,053</u> |                  | <u>1,502,754</u> |
| <b>CREDITORS: amounts falling due within one year</b> |          | <u>(536,857)</u> |                  | <u>(453,975)</u> |
| <b>NET CURRENT ASSETS</b>                             |          |                  | <u>894,196</u>   | <u>1,048,779</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |          |                  | <u>1,596,983</u> | <u>1,796,494</u> |
| <b>PROVISIONS FOR LIABILITIES</b>                     |          |                  | (16,800)         | (18,400)         |
| <b>GOVERNMENT GRANTS</b>                              | <b>3</b> |                  | <u>(203,372)</u> | <u>(220,812)</u> |
|                                                       |          |                  | <u>1,376,811</u> | <u>1,557,282</u> |
| <b>CAPITAL AND RESERVES</b>                           |          |                  |                  |                  |
| Called-up equity share capital                        | <b>5</b> |                  | 5,598            | 5,598            |
| Revaluation reserve                                   |          |                  | 79,080           | 79,080           |
| Other reserves                                        |          |                  | 2,402            | 2,402            |
| Profit and loss account                               |          |                  | 1,289,731        | 1,470,202        |
| <b>SHAREHOLDERS' FUNDS</b>                            |          |                  | <u>1,376,811</u> | <u>1,557,282</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 financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act

The directors acknowledge their responsibilities for

- ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- 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 393, 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 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 25 May 2010, and are signed on their behalf by



MR GEORGE ANTHONY FORBES  
Director

Company Registration Number NI 2045

The notes on pages 3 to 6 form part of these abbreviated accounts.

## NOTES TO THE ABBREVIATED ACCOUNTS YEAR ENDED 31 DECEMBER 2009

### 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 applicable UK accounting standards

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

#### **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

#### **Amortisation**

Amortisation 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

Goodwill - 33% straight line

#### **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

|                       |                        |
|-----------------------|------------------------|
| Freehold property     | - 4% straight line     |
| Plant and machinery   | - 20% reducing balance |
| Fixtures and fittings | - 10% reducing balance |
| Motor vehicles        | - 25% reducing balance |

## NOTES TO THE ABBREVIATED ACCOUNTS YEAR ENDED 31 DECEMBER 2009

### 1 ACCOUNTING POLICIES (CONTINUED)

#### **Investment properties**

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### **Stocks**

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

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **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.

## NOTES TO THE ABBREVIATED ACCOUNTS YEAR ENDED 31 DECEMBER 2009

### 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

#### 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.

#### Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

### 2 FIXED ASSETS

|                            | Intangible<br>assets<br>£ | Tangible<br>assets<br>£ | Investments<br>£ | Total<br>£       |
|----------------------------|---------------------------|-------------------------|------------------|------------------|
| <b>COST OR VALUATION</b>   |                           |                         |                  |                  |
| At 1 January 2009          | 10,000                    | 2,191,361               | 250              | 2,201,611        |
| Additions                  | –                         | 40,827                  | –                | 40,827           |
| Disposals                  | –                         | (313,092)               | –                | (313,092)        |
| <u>At 31 December 2009</u> | <u>10,000</u>             | <u>1,919,096</u>        | <u>250</u>       | <u>1,929,346</u> |
| <b>DEPRECIATION</b>        |                           |                         |                  |                  |
| At 1 January 2009          | 10,000                    | 1,443,896               | –                | 1,453,896        |
| Charge for year            | –                         | 61,288                  | –                | 61,288           |
| On disposals               | –                         | (288,625)               | –                | (288,625)        |
| <u>At 31 December 2009</u> | <u>10,000</u>             | <u>1,216,559</u>        | <u>–</u>         | <u>1,226,559</u> |
| <b>NET BOOK VALUE</b>      |                           |                         |                  |                  |
| <u>At 31 December 2009</u> | <u>–</u>                  | <u>702,537</u>          | <u>250</u>       | <u>702,787</u>   |
| At 31 December 2008        | –                         | 747,465                 | 250              | 747,715          |

The investment properties are carried at open market value based on information provided by the directors as at 31 December 2006. Valuation has not been updated since this date.

Investments have been stated at cost, except where provision was required for permanent diminution in value.

## NOTES TO THE ABBREVIATED ACCOUNTS YEAR ENDED 31 DECEMBER 2009

### 3 GOVERNMENT GRANTS

|                         | 2009           | 2008           |
|-------------------------|----------------|----------------|
|                         | £              | £              |
| Received and receivable | 542,142        | 542,142        |
| Amortisation            | (338,770)      | (321,330)      |
|                         | <u>203,372</u> | <u>220,812</u> |

### 4 TRANSACTIONS WITH THE DIRECTORS

During the year ended 31 December 2009 a dividend of £223,920 was paid to shareholders. The directors received the following amounts based on their shareholdings: Mr GA Forbes £171,880, Mrs ME Forbes £40, and Mrs S Bennett £4,000.

### 5 SHARE CAPITAL

**Allotted, called up and fully paid**

|                                  | 2009         |              | 2008         |              |
|----------------------------------|--------------|--------------|--------------|--------------|
|                                  | No           | £            | No           | £            |
| 5,598 ordinary shares of £1 each | <u>5,598</u> | <u>5,598</u> | <u>5,598</u> | <u>5,598</u> |