

Light Engineering Limited

Company Registration Number:
24680135

Report of the Directors and
Unaudited Financial Statements

Period of accounts

Start date 01/07/2009

End date 30/06/2010

Light Engineering Limited

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for the Period Ended 30 June 2010

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Light Engineering Limited

Company Information
for the Period Ended
30 June 2010

Directors		Mr F Gray Mr A Baxter Mrs I Jenkins Mr R Spencer
Company secretary		Mr S Thomas
Registered office		Unit 5 North Town Industrial Estate North Town Yorkshire NO5 6TT
Company Registration Number		24680135
Accountants	Name	Mercia & Co
	Address	Chartered Accountants & Registered Auditors 100 High Street North Town Yorkshire NO1 1AP
Bankers	Name	Barclays Bank plc
	Address	1 High Street North Town Yorkshire NO1 1AP
Solicitors	Name	Harold White & Partners
	Address	205 High Street North Town Yorkshire NO1 4DP

Light Engineering Limited
Directors' Report
for the Period Ended 30 June 2010

The directors present their report with the financial statements of the company for the period ended 30 June 2010

Principal activities

The principal activity of the company in the period under review was:

the production of agricultural machinery components

Directors

The director(s) shown below have held office during the whole of the period

Mr F Gray
Mr A Baxter
Mrs I Jenkins
Mr R Spencer

Political and charitable donations, for the period under review and previous period.

	2010	2009
	£	£
Charitable donations during the year amounted to	2,500	

Company policy on the employment of disabled persons

It is the company's policy to give employment to disabled persons wherever practicable.

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.

**This report was approved by the board of directors on
and signed on behalf of the board by:**

01/09/2010

Name Mr S Thomas
Status Secretary

Light Engineering Limited
Accountants' Report
for the Period Ended 30 June 2010

Independent accountants' report

Report to the directors on the preparation of the unaudited statutory accounts of the company for the period ended 30 June 2010

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of the company for the period ended 30 June 2010 as set out on pages 3 to 16 which comprise of Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of the company, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the accounts of the company and state those matters that we have agreed to state to the Board of Directors of the company, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors as a body for our work or for this report.

It is your duty to ensure the company 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/(loss) of the company. You consider the company is exempt from the statutory audit requirement for the period.

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.

Mercia & Co
Chartered Accountants & Registered Auditors
100 High Street
North Town
Yorkshire
NO1 1AP

Date 01/09/2010

Light Engineering Limited
Profit and Loss Account
for the Period Ended 30 June 2010

	Notes	2010 £	2009 £
Turnover	2	2,500,000	2,491,400
Cost of sales		1,510,107	1,534,950
Gross Profit/(Loss)		<u>989,893</u>	<u>956,450</u>
Distribution costs		491,663	405,228
Administrative expenses		252,273	219,360
Operating costs		<u>743,936</u>	<u>624,588</u>
Operating Profit/(Loss)	3	<u>245,957</u>	<u>331,862</u>
Interest receivable and similar		2,800	3,215
Interest payable and similar		36,000	40,000
Net Finance income/(Loss)		<u>(33,200)</u>	<u>(36,785)</u>
Profit/(Loss) on ordinary activities before taxation		<u>212,757</u>	<u>295,077</u>
Tax on profit on ordinary activities	5	50,110	72,500
Profit/(Loss) for the financial year after taxation		<u><u>162,647</u></u>	<u><u>222,577</u></u>

The notes form part of these financial statements

Light Engineering Limited
Balance Sheet
for the Period Ended 30 June 2010

	Notes	2010 £	2009 £
Fixed assets			
Intangible fixed assets	7	0	40,000
Tangible fixed assets	8	253,566	224,724
Investments	9	55,000	55,000
Total fixed assets		<u>308,566</u>	<u>319,724</u>
Current assets			
Stocks	10	347,800	330,000
Debtors	11	204,500	244,807
Cash at bank and in hand		120,340	111,685
Total current assets		<u>672,640</u>	<u>686,492</u>
Creditors			
Creditors - amounts falling due within one year	12	263,400	267,857
Net current assets		<u>409,240</u>	<u>418,635</u>
Total assets less current liabilities		<u>717,806</u>	<u>738,359</u>
Creditors - amounts falling due after more than one year	13	120,000	240,000
Provision for liabilities	14	20,000	18,000
Long term creditors		<u>140,000</u>	<u>258,000</u>
Net assets		<u>577,806</u>	<u>480,359</u>
Capital and reserves			
Called up share capital	15	250,000	250,000
Profit and loss account	16	327,806	230,359
Total shareholders funds		<u>577,806</u>	<u>480,359</u>

Light Engineering Limited
Balance Sheet
for the Period Ended 30 June 2010

These accounts have been prepared in accordance with the special provisions in part 15 of Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

For the year ending 30 June 2010 the company was entitled to exemption from audit, in accordance with sections 475 and 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under Section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The financial statements were approved by the Board of Directors on 01/09/2010

SIGNED ON BEHALF OF THE BOARD BY

Name Mr A Baxter

Status Director

The notes form part of these financial statements

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 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

The turnover shown in the profit and loss account represents revenue earned during the period, exclusive of VAT.

Tangible fixed assets – Depreciation

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

Freehold buildings	2% per annum on cost
Freehold land	not depreciated
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Plant and machinery	20% reducing balance

Stocks

Stocks and work-in-progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The annual contributions payable are charged to the profit and loss account.

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 2010

2. Turnover

	2010	2009
	£	£
United Kingdom	1,500,000	1,544,668
Europe	1,000,000	946,732
Total	<u>2,500,000</u>	<u>2,491,400</u>

3. Operating profit/(loss)

Profit before tax as stated after charging the following

	2010	2009
	£	£
Depreciation - owned assets	32,897	25,399
Depreciation - assets on hire purchase contract	2,334	

4. Directors' remuneration

	2010	2009
	£	£
Directors' remuneration	158,700	138,300
Value of directors' pension contributions	14,000	16,800
Total	<u>172,700</u>	<u>155,100</u>

The number of Directors accruing pension benefits was	4	4
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5. Taxation

The tax charge on the profit on ordinary activities for the period was as follows

	2010	2009
	£	£
UK Corporation Tax net of reliefs	47,000	69,500
Deferred Tax	3,110	3,000
Tax on profit on ordinary activities	<u>50,110</u>	<u>72,500</u>

6. Dividends

	2010	2009
	£	£
Dividend on ordinary shares paid in period	65,200	

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 2010

7. Intangible fixed assets

	Patents & trademarks	Total
	£	£
Cost		
At 1 July 2009	40,000	40,000
Additions		0
Disposals		0
At 30 June 2010	40,000	40,000
Amortisation		
At 1 July 2009		0
Charge during the period On disposals	40,000	40,000
At 30 June 2010	40,000	40,000
Net book value		
At 30 June 2010		0
At 30 June 2009	40,000	40,000

8. Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2009	237,500	123,950	13,641	61,000	436,091
Additions		28,850	2,142	37,335	68,327
Disposals		5,000	1,500	21,000	27,500
At 30 June 2010	237,500	147,800	14,283	77,335	476,918
Depreciation					
At 1 July 2009	96,250	80,159	7,620	27,338	211,367
Charge for year On disposals	2,750	14,460	1,187	16,834	35,231
		4,658	1,249	17,339	23,246
At 30 June 2010	99,000	89,961	7,558	26,833	223,352
Net book value					
At 30 June 2010	138,500	57,839	6,725	50,502	253,566
At 30 June 2009	141,250	43,791	6,021	33,662	224,724

Included in the total net book value of tangible fixed assets an amount in respect of assets held under finance leases and hire purchase contracts The cost of depreciable assets included in land and buildings was £137500	Value	2010 7,001	2009
	Depreciation		

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 2010

9. Fixed asset investments

	2010	2009
	£	£
Listed	20,000	20,000
Unlisted	15,000	15,000
as current asset	20,000	20,000
Total	<u>55,000</u>	<u>55,000</u>

10. Stocks

	2010	2009
	£	£
Raw materials	145,600	143,200
Work in progress	78,700	75,600
Finished goods	123,500	111,200
Total	<u>347,800</u>	<u>330,000</u>

11. Debtors

	2010	2009
	£	£
Trade debtors	197,000	199,300
Other debtors	7,500	45,507
Total	<u>204,500</u>	<u>244,807</u>

12. Creditors: amounts falling due within one year

	2010	2009
	£	£
Bank loans and overdrafts	120,000	120,000
Amounts due under finance leases and hire purchase contracts	5,000	
Trade creditors	64,550	89,722
Corporation tax	47,000	50,200
Other taxation and social security	3,850	3,435
Accruals and deferred income	3,000	4,500
Other creditors	20,000	
Total	<u>263,400</u>	<u>267,857</u>

13. Creditors: amounts falling due after more than one year

	2010	2009
	£	£
Bank loans	120,000	240,000
Total	<u>120,000</u>	<u>240,000</u>

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 2010

14. Provisions for liabilities

Provisions

	£
At 1 July 2009	18,000
Movements to	2,000
Movements from	
At 30 June 2010	<u>20,000</u>

15. Share capital

		2010 £	2009 £
Authorised type	Par value		
Ordinary	0.25	<u>250,000</u>	<u>250,000</u>
Total		250,000	250,000
Allotted, called up and paid ordinary		<u>250,000</u>	<u>250,000</u>
Total		250,000	250,000

16. Reserves/Retained profit

Retained profit reconciliation	£
Reserves at 1 July 2009	230,359
Profit/(Loss) for year	162,647
Other adjustments	
Dividends paid	<u>65,200</u>
Retained profit at 30 June 2010	327,806

Light Engineering Limited
Notes to the Financial Statements
for the Period Ended 30 June 2010

17. Related party transactions

The company purchased goods totalling £97,000 (2009: £89,000) from J Stoop Ltd, a company under the direct control of Mrs Jenkins, a director. At the year - end the balance owing to J Stoop Ltd was £35,000 (2009: £27,000).

During the year the company purchased goods totalling £95,000 from Harlequins Ltd, a company under the direct control of Mr Baxter, a director. During the year the company also paid rental to Mr Baxter for usage of warehousing space. The charge for the year was £12,000 (2009: £12,000).

18. Capital commitments

	£
At 1 July 2009	0
At 30 June 2010	30,000

19. Contingent liabilities

	2010	2009
	£	£
Amount guaranteed	100,000	

The company has guaranteed the borrowing of Gilberts Limited, a company in which it has a 33% shareholding. At 30 June 2010 the extent of the potential liability amounted to £100,000. The directors are of the opinion that no liability will arise under this guarantee.

There is a potential legal claim of £30,000 relating to estimated liabilities arising from claims made against the company.

20. Post balance sheet events

After the year end the company's premises flooded, resulting in no sales being made for six weeks, resulting in an estimated loss of turnover of £250,000. No adjustment has been made to the 2010 financial statements.

An out of court settlement was reached with a customer after the year end. The total amount of £20,000 has been included within other creditors.

After the year end a number of machines were disposed of. These had a net book value at the year end of £40,000, and were sold for £10,000. The loss on disposal of £30,000 will be shown in the financial statements for the year ending 30 June 2010.

Light Engineering Limited
Detailed Profit and Loss
for the Period Ended 30 June 2010

	2010	2009
	£	£
Turnover	2,500,000	2,491,400
Cost of Sales		
Opening stock - raw materials	143,200	139,700
Opening work in progress	75,600	74,700
Opening stock - finished goods	111,200	111,000
Purchases	1,035,800	1,060,435
Wages and salaries	216,500	205,545
Employer's NI contributions	13,000	12,800
Directors remuneration	59,500	58,200
Directors NI contributions	6,307	6,160
Staff pension costs	5,000	4,750
Directors pension costs	6,000	6,000
Property costs	80,000	79,200
Utilities	66,100	64,540
Support costs	10,000	9,760
Repairs and maintenance	15,240	24,160
Depreciation	14,460	8,000
Total	<u>1,857,907</u>	<u>1,864,950</u>
Less		
Closing stock - raw materials	145,600	143,200
Closing work in progress	78,700	75,600
Closing stock - finished goods	123,500	111,200
	<u>1,510,107</u>	<u>1,534,950</u>
Gross profit	989,893	956,450
Overheads		
Distribution costs	491,663	405,228
Administrative costs	252,273	219,360
Operating profit	<u>245,957</u>	<u>331,862</u>

Light Engineering Limited
Schedule of costs and expenses
for the Period Ended 30 June 2010

	2010	2009
	£	£
Distribution costs		
Wages and salaries	108,000	108,414
Employer's NI contributions	7,000	6,850
Directors' remuneration	27,000	26,600
Directors NI contributions	2,863	2,800
Staff pension costs	4,000	3,900
Directors pension costs	3,000	3,000
Property costs	31,000	30,750
Utilities	20,000	18,000
Vehicle costs	46,955	47,364
Freight and carriage	35,366	49,000
Entertaining	7,645	6,550
Marketing and Advertising	73,400	70,000
Depreciation	16,834	12,649
Other expenses	108,600	19,351
Total	<u>491,663</u>	<u>405,228</u>
Administrative costs		
Wages and salaries	80,000	87,650
Employer's NI contributions	5,906	6,900
Directors' remuneration	55,000	53,500
Directors NI contributions	5,830	5,790
Staff pension costs	2,100	2,000
Directors pension costs	5,000	5,000
Property costs	1,250	1,200
Cleaning	2,500	2,450
Utilities	10,000	9,000
Telephone	4,450	6,700
Printing, postage and stationery	5,200	7,000
Legal and professional fees	2,000	18,000
Audit and accountancy fees	4,000	4,400
Bad and doubtful debts	60,000	
Sundry expenses	2,600	5,020
Donations	2,500	
Depreciation	3,937	4,750
Total	<u>252,273</u>	<u>219,360</u>