

SHARROCKS (GRASS MACHINERY) LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2005



Company Registration Number 02229607

Tenon Limited
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

SHARROCKS (GRASS MACHINERY) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

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SHARROCKS (GRASS MACHINERY) LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2005

	Note	2005 £	£	2004 £	£
Fixed assets	2				
Tangible assets			622,743		175,208
Current assets					
Stocks		1,400		-	
Debtors		30,675		78,446	
Cash at bank and in hand		19,915		6,980	
		<u>51,990</u>		<u>85,426</u>	
Creditors: Amounts falling due within one year		<u>(19,906)</u>		<u>(191,996)</u>	
Net current assets/(liabilities)			32,084		(106,570)
Total assets less current liabilities			<u>654,827</u>		<u>68,638</u>
Capital and reserves					
Called-up share capital	3		2		2
Revaluation reserve			496,792		-
Profit and loss account			158,033		68,636
Shareholders' funds			<u>654,827</u>		<u>68,638</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 6/12/06 and are signed on their behalf by:

K F Sharrock
Mr K F Sharrock

The notes on pages 2 to 4 form part of these abbreviated accounts.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

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).

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 receivable during the year.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Motor Vehicles	- 25% reducing balance

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 the FRSSE which, unlike Schedule 4 to the Companies Act 1985, 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 stated at the lower of cost and net realisable value. Cost is defined as those costs incurred in bringing the stock into their present location and condition.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

1. Accounting policies *(continued)*

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 that result in an obligation to pay more or a right to pay less or to receive more tax.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

2. Fixed assets

	Tangible Assets £
Cost or valuation	
At 1 January 2005	269,828
Disposals	(65,325)
Revaluation	496,792
At 31 December 2005	<u>701,295</u>
Depreciation	
At 1 January 2005	94,620
Charge for year	915
On disposals	(16,983)
At 31 December 2005	<u>78,552</u>
Net book value	
At 31 December 2005	<u>622,743</u>
At 31 December 2004	<u>175,208</u>

The Cheshire property has been valued at £350,000 during May 2005. This was on an open market basis by Wetheralls.

The Ecclestone property has been valued at £270,000. This is based on the directors' valuation.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

3. Share capital

Authorised share capital:

	2005	2004
	£	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>