

Registration number 4248607

Anslow Forge Limited

Abbreviated accounts

for the period ended 30 November 2007



Anslow Forge Limited

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Anslow Forge Limited

Directors' report for the period ended 30 November 2007

The directors present their report and the accounts for the period ended 30 November 2007

Principal activity and review of the business

The principal activity of the company is the holding company for a group of companies whose principal activities are that of the manufacture and supply of forgings

Results and dividends

The results for the period are set out on page 4

Directors and their interests

The directors who served during the period and their interests in the company are as stated below

	Class of share	30/11/07	01/06/06
R M Adams	Ordinary shares	10,000	10,000
P G Parkes	Ordinary shares	10,000	10,000

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing these the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice

-the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Daw White Murrall be reappointed as auditors of the company will be put to the Annual General Meeting

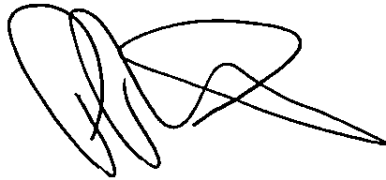
Anslow Forge Limited
Directors' report
for the period ended 30 November 2007

continued

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

This report was approved by the Board on and signed on its behalf by

P G Parkes
Secretary

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a series of loops and a long, sweeping tail that extends to the right.

**Independent auditors' report to Anslow Forge Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 4 to 16 together with the financial statements of Anslow Forge Limited for the period ended 30 November 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' 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 as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246A 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 Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the period ended 30 November 2007, and the abbreviated accounts on pages 4 to 16 are properly prepared in accordance with that provision.

A handwritten signature in black ink, appearing to read 'Daw White Murrall', is written over a horizontal line.

**Daw White Murrall
Chartered Accountants and
Registered auditors**

Wolverhampton

Anslow Forge Limited

**Abbreviated profit and loss account
for the period ended 30 November 2007**

		Continuing operations	
		Period ended 30/11/07	Year ended 31/05/06
	Notes	£	£
Gross profit		846,974	525,537
Administrative expenses		(330,368)	(223,659)
Operating profit	2	<u>516,606</u>	<u>301,878</u>
Investment income	3	-	100,000
Interest payable and similar charges	4	<u>(35,884)</u>	<u>(31,046)</u>
Profit on ordinary activities before taxation		480,722	370,832
Tax on profit on ordinary activities	6	<u>(3,643)</u>	<u>(61,095)</u>
Profit on ordinary activities after taxation and Retained profit for the period	13	477,079	309,737
Retained profit/(loss) brought forward		191,053	164,108
Reserve Movements		<u>(144,630)</u>	<u>(282,792)</u>
Retained profit carried forward		<u><u>523,502</u></u>	<u><u>191,053</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial periods

The notes on pages 7 to 16 form an integral part of these financial statements.

Anslow Forge Limited

**Abbreviated balance sheet
as at 30 November 2007**

		30/11/07		31/05/06	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		2,325,000		2,419,201
Investments	8		20,000		20,000
			<u>2,345,000</u>		<u>2,439,201</u>
Current assets					
Debtors	9	173,411		20,796	
Cash at bank and in hand		<u>-</u>		<u>2,667</u>	
		173,411		23,463	
Creditors: amounts falling due within one year	10	<u>(158,767)</u>		<u>(284,327)</u>	
Net current assets/(liabilities)			<u>14,644</u>		<u>(260,864)</u>
Total assets less current liabilities			2,359,644		2,178,337
Creditors: amounts falling due after more than one year	11		<u>(211,580)</u>		<u>(310,962)</u>
Net assets			<u>2,148,064</u>		<u>1,867,375</u>
Capital and reserves					
Called up share capital	12		20,000		20,000
Revaluation reserve	13		1,604,562		1,656,322
Profit and loss account	13		<u>523,502</u>		<u>191,053</u>
Equity shareholders' funds	14		<u>2,148,064</u>		<u>1,867,375</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The abbreviated accounts were approved by the Board on and signed on its behalf by

P G Parkes
Director



The notes on pages 7 to 16 form an integral part of these financial statements.

Anslow Forge Limited

**Cash flow statement
for the period ended 30 November 2007**

		Period ended 30/11/07 £	Year ended 31/05/06 £
	Notes		
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		516,606	301,878
Depreciation		34,494	23,437
(Increase) in debtors		(152,615)	(20,796)
(Decrease) in creditors		(6,608)	3,890
Net cash inflow from operating activities		<u>391,877</u>	<u>308,409</u>
Cash flow statement			
Net cash inflow from operating activities		391,877	308,409
Returns on investments and servicing of finance	18	(35,884)	68,954
Taxation	18	(93,893)	(9,945)
Capital expenditure	18	7,947	-
		<u>270,047</u>	<u>367,418</u>
Equity dividends paid		(144,630)	(282,792)
Financing	18	-	-
Increase in cash in the period		<u>125,417</u>	<u>84,626</u>
Reconciliation of net cash flow to movement in net funds (Note 19)			
Increase in cash in the period		125,417	84,626
Net debt at 1 June 2006		<u>(413,294)</u>	<u>(497,920)</u>
Net debt at 30 November 2007		<u>(287,878)</u>	<u>(413,294)</u>

Anslow Forge Limited

Notes to the abbreviated financial statements for the period ended 30 November 2007

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and comply with financial reporting standards of the Accounting Standards Board

1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over fifty years
Motor vehicles	-	25% straight line

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

Anslow Forge Limited

Notes to the abbreviated financial statements for the period ended 30 November 2007

continued

1.7. 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,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

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

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

1.8. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

	Period ended 30/11/07 £	Year ended 31/05/06 £
2. Operating profit		
Operating profit is stated after charging		
Depreciation and other amounts written off tangible assets	34,494	23,437
Operating lease rentals		
- Motor vehicles	11,904	7,936
Auditors' remuneration	<u>12,006</u>	<u>3,004</u>

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

. . . continued

	Period ended 30/11/07 £	Year ended 31/05/06 £
3. Income from investments		
Income from subsidiary undertakings	-	100,000
	<u> </u>	<u> </u>
	Period ended 30/11/07 £	Year ended 31/05/06 £
4. Interest payable and similar charges		
Interest payable on loans < 1 yr	34,405	31,046
On overdue tax	1,479	-
	<u>35,884</u>	<u>31,046</u>
	<u> </u>	<u> </u>
5. Employees		
Number of employees	Period ended 30/11/07	Year ended 31/05/06
The average monthly numbers of employees (including the directors) during the period were		
Directors and management	<u>2</u>	<u>2</u>
	<u> </u>	<u> </u>
Employment costs	30/11/07 £	31/05/06 £
Wages and salaries	154,587	85,008
Social security costs	21,373	18,050
	<u>175,960</u>	<u>103,058</u>
	<u> </u>	<u> </u>
	Period ended 30/11/07 £	Year ended 31/05/06 £
5.1. Directors' emoluments		
Remuneration and other emoluments	<u>154,587</u>	<u>85,008</u>
	<u> </u>	<u> </u>

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

continued

6. Tax on profit on ordinary activities

	Period ended 30/11/07 £	Year ended 31/05/06 £
Analysis of charge in period		
Current tax		
UK corporation tax	-	61,707
Adjustments in respect of previous periods	3,643	(612)
	<u>3,643</u>	<u>61,095</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (20 per cent). The differences are explained below.

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>480,722</u>	<u>370,832</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (31 May 2006 27%)	96,144	100,125
Effects of:		
Expenses not deductible for tax purposes	-	(548)
Capital allowances for period in excess of depreciation	3,332	5,518
Utilisation of tax losses	(99,476)	(16,388)
Adjustments to tax charge in respect of previous periods	3,643	(612)
Subsidiary franked investment income	-	(27,000)
Current tax charge for period	<u>3,643</u>	<u>61,095</u>

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

... continued

7. Tangible fixed assets	Land and buildings freehold £	Motor vehicles £	Total £
Cost/revaluation			
At 1 June 2006	2,500,000	31,780	2,531,780
Disposals	-	(31,780)	(31,780)
At 30 November 2007	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>
Depreciation			
At 1 June 2006	100,000	12,579	112,579
On disposals	-	(23,833)	(23,833)
Charge for the period	75,000	11,254	86,254
At 30 November 2007	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Net book values			
At 30 November 2007	<u>2,325,000</u>	<u>-</u>	<u>2,325,000</u>
At 31 May 2006	<u>2,400,000</u>	<u>19,201</u>	<u>2,419,201</u>

Tangible fixed assets included at a valuation would have been included on a historical cost basis at

	31/05/07 £	31/05/06 £
Cost	230,000	230,000
Depreciation	-	-
Net book value	<u>230,000</u>	<u>230,000</u>

Anslow Forge Limited

Notes to the abbreviated financial statements for the period ended 30 November 2007

continued

8. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 June 2006		
At 30 November 2007	20,000	20,000
Net book values		
At 30 November 2007	20,000	20,000
At 31 May 2006	20,000	20,000

8.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking			
Smethwick Drop Forge Limited	Manufacture and supply of forgings	Ordinary	100%
Platts Forge Limited	Manufacture and supply of forgings	Ordinary	100%

Both companies are registered in England and Wales

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit /(loss) for the year £
Smethwick Drop Forge Limited	(534,090)	(822,364)
Platts Forge Limited	(127,191)	(33,486)

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

... continued

9. Debtors	30/11/07	31/05/06
	£	£
Trade debtors	25,700	16,346
Amounts owed by group undertakings	138,357	-
Prepayments and accrued income	9,354	4,450
	<u>173,411</u>	<u>20,796</u>
	<u><u>173,411</u></u>	<u><u>20,796</u></u>
 10. Creditors: amounts falling due within one year	 30/11/07	 31/05/06
	£	£
Bank overdraft	9,023	-
Bank loan	67,275	105,000
Trade creditors	42,353	-
Amounts owed to group undertaking	-	56,310
Corporation tax	-	90,250
Other taxes and social security costs	8,801	6,530
Accruals and deferred income	31,315	26,237
	<u>158,767</u>	<u>284,327</u>
	<u><u>158,767</u></u>	<u><u>284,327</u></u>

The bank borrowings are secured by a fixed and floating charge over the assets of the company under the banks standard debenture

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

continued

11. Creditors: amounts falling due after more than one year	30/11/07 £	31/05/06 £
Bank loan	<u>211,580</u>	<u>310,962</u>
Loans		
Repayable in one year or less, or on demand (Note 10)	67,275	105,000
Repayable between one and two years	108,000	108,000
Repayable between two and five years	<u>103,580</u>	<u>202,962</u>
	<u>278,855</u>	<u>415,962</u>

The bank borrowings are secured by a fixed and floating charge over the assets of the company under the banks standard debenture

The bank loan is repayable in monthly instalments at 2% over base

12. Share capital	30/11/07 £	31/05/06 £
Authorised equity		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid equity		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

13. Equity Reserves	Revaluation reserve £	Profit and loss account £	Total £
At 1 June 2006	1,656,322	191,053	1,847,375
Retained profit for the period		477,079	477,079
Other movements	(51,760)	-	(51,760)
Equity dividends		<u>(144,630)</u>	<u>(144,630)</u>
At 30 November 2007	<u>1,604,562</u>	<u>523,502</u>	<u>2,128,064</u>

Anslow Forge Limited

Notes to the abbreviated financial statements for the period ended 30 November 2007

.. continued

14. Reconciliation of movements in shareholders' funds	30/11/07	31/05/06
	£	£
Profit for the period	477,079	309,737
Dividends	(144,630)	(282,792)
	<u>332,449</u>	<u>26,945</u>
Other recognised gains or losses	(51,760)	(34,507)
Net addition to shareholders' funds	280,689	(7,562)
Opening shareholders' funds	1,867,375	1,874,937
Closing shareholders' funds	<u><u>2,148,064</u></u>	<u><u>1,867,375</u></u>

15. Financial commitments

At 30 November 2007 the company had annual commitments under non-cancellable operating leases as follows

	30/11/07	Other 31/05/06
	£	£
Expiry date:		
Between one and five years	<u><u>-</u></u>	<u><u>7,936</u></u>

16. Contingent liabilities

Anslow Forge Limited has undertaken an unlimited cross company guarantee dated 10th May 2002 in respect of the bank borrowings of the group. At the 30th November 2007 consolidated group bank borrowing amounted to £2,584,720 (2006 - £2,011,706)

17. Transactions with directors

The bank borrowings are in part guaranteed by charges over certain life policies of R M Adams and P G Parkes.

Anslow Forge Limited

**Notes to the abbreviated financial statements
for the period ended 30 November 2007**

. continued

18. Gross cash flows

	30/11/07	31/05/06
	£	£
Returns on investments and servicing of finance		
Interest paid	(35,884)	(31,046)
Dividends received	-	100,000
	<u>(35,884)</u>	<u>68,954</u>
Taxation		
Corporation tax paid	(93,893)	(10,557)
Corporation tax repaid	-	612
	<u>(93,893)</u>	<u>(9,945)</u>
Capital expenditure		
Receipts from sales of tangible assets	<u>7,947</u>	<u>-</u>
Financing		
New long term bank loan	137,107	83,244
Repayment of long term bank loan	<u>(137,107)</u>	<u>(83,244)</u>
	<u>-</u>	<u>-</u>

19. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	2,667	(2,667)		-
Overdrafts	-	(9,023)		(9,023)
	<u>2,667</u>	<u>(11,690)</u>		<u>(9,023)</u>
Debt due within one year	(67,275)	-	-	(67,275)
Debt due after one year	(348,687)	-	137,107	(211,580)
	<u>(415,962)</u>	<u>-</u>	<u>137,107</u>	<u>(278,855)</u>
Net funds	<u>(413,295)</u>	<u>(11,690)</u>	<u>137,107</u>	<u>(287,878)</u>