

MG PUMPS LIMITED
BALANCE SHEET
AS AT 30 JUNE 2006

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	Note	£	£
FIXED ASSETS			
Intangible Assets	2		54,000
Tangible Assets			<u>5,205</u>
			59,205
CURRENT ASSETS			
Stock		3,000	
Debtors		5,457	
Cash at Bank		<u>29,601</u>	
		38,058	
LESS CREDITORS			
Amounts Falling Due Within One Year		<u>36,304</u>	
NET CURRENT ASSETS			<u>1,754</u>
NET ASSETS			<u>60,959</u>
CAPITAL AND RESERVES			
Called up Share Capital	3		3
Profit and Loss Account			<u>60,956</u>
			<u>60,959</u>

The notes set out on pages 1 to 3 form part of these accounts.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

For the financial period ended 30 June 2006 the company was entitled to exemption from audit under section 249A(1) Companies Act 1985; and no notice has been deposited under section 249B(2). The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985 so far as applicable to the company.

 – M J Green (Director)

Approved by the board: 7 September 2006



NOTE 1

ACCOUNTING POLICIES

- a) The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).
- b) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life on the following basis:-

Fixtures, Fittings, Tools & Equipment - 15% per annum on reducing balance

Motor Vehicles - 25% per annum on reducing balance

All fixed assets are continuing in use in the business and no write down is required to reduce net book values to recoverable amounts as a result of obsolescence.

- c) Purchased goodwill is capitalised and included in the accounts as a fixed asset. Goodwill is amortised on a straight line basis over its useful economic life.
- d) Stocks are stated at the lower of cost (excluding value added tax and discounts) and net realisable value, after making due allowance for obsolete or slow moving items.
- e) Turnover consists of the net invoiced value of goods and services supplied in the ordinary course of business, excluding value added tax. The turnover and profit before taxation are attributable to the one principal activity of the company all of which arises in the United Kingdom.
- f) Deferred taxation is provided using the liability method, for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

NOTE 2

INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 July 2005 and at 30 June 2006

60,000

AMORTISATION

Provision for the Period

6,000

At 30 June 2006

6,000

NET BOOK VALUE

At 30 June 2006

54,000

MG PUMPS LIMITED
NOTES TO THE BALANCE SHEET
AS AT 30 JUNE 2006

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NOTE 3

TANGIBLE FIXED ASSETS	Fixtures, Fittings, Tools & Equipment £	Motor Vehicles £	Total £
COST			
Additions	<u>4,234</u>	<u>2,084</u>	<u>6,318</u>
At 30 June 2006	<u>4,234</u>	<u>2,084</u>	<u>6,318</u>
ACCUMULATED DEPRECIATION			
Provision for the Period	<u>593</u>	<u>520</u>	<u>1,113</u>
At 30 June 2006	<u>593</u>	<u>520</u>	<u>1,113</u>
NET BOOK VALUE			
At 30 June 2006	<u>3,641</u>	<u>1,564</u>	<u>5,205</u>

NOTE 4

SHARE CAPITAL

Ordinary Shares of £1 each:-

Authorised	<u>1,000</u>
Issued and Fully Paid	<u>3</u>

Three Ordinary Shares were issued during the period with a nominal value of £1 for a consideration of £1. This issue was made on 10 May 2005.

NOTE 5

CONTROLLING PARTY

Mr M J Green, the director, controls the company by virtue of holding 66.7% of the issued ordinary share capital.