

REGISTERED NUMBER 02891101 (England and Wales)

**Abbreviated Unaudited Accounts for the Year Ended 30 June 2011**

**for**

**Severn Machine Tools Limited**



**Severn Machine Tools Limited (Registered number 02891101)**

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for the Year Ended 30 June 2011**

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**Severn Machine Tools Limited**

**Company Information**  
**for the Year Ended 30 June 2011**

<b>DIRECTOR.</b>	Mr WA Gerrard
<b>SECRETARY.</b>	Mr WA Gerrard
<b>REGISTERED OFFICE.</b>	63 Wentwood View Caldicot Monmouthshire NP26 4QH
<b>REGISTERED NUMBER.</b>	02891101 (England and Wales)
<b>ACCOUNTANTS.</b>	Macario Lewin Chartered Accountants Bellarmine House 14 Upper Church Street Chepstow Monmouthshire NP16 5EX

**Chartered Accountants' Report to the Director**  
**on the Unaudited Financial Statements of**  
**Severn Machine Tools Limited**

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages three to five) have been prepared

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Severn Machine Tools Limited for the year ended 30 June 2011 which comprise the 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

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](http://icaew.com/membershandbook)

This report is made solely to the director of Severn Machine Tools Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Severn Machine Tools Limited and state those matters that we have agreed to state to the director of Severn Machine Tools Limited in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its director for our work or for this report.

It is your duty to ensure that Severn Machine Tools Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Severn Machine Tools Limited. You consider that Severn Machine Tools Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Severn Machine Tools Limited. 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 statutory financial statements.



Macario Lewin  
Chartered Accountants  
Bellarmine House  
14 Upper Church Street  
Chepstow  
Monmouthshire  
NP16 5EX

Date

12/1/2012

**Severn Machine Tools Limited (Registered number: 02891101)**

**Abbreviated Balance Sheet**  
**30 June 2011**

	Notes	30 6 11 £	£	30 6 10 £	£
<b>FIXED ASSETS</b>					
Tangible assets	2		1,647		3,744
<b>CURRENT ASSETS</b>					
Stocks		227,481		238,673	
Debtors		237,875		240,523	
Cash at bank and in hand		965		551	
		466,321		479,747	
<b>CREDITORS</b>					
Amounts falling due within one year	3	343,684		347,028	
<b>NET CURRENT ASSETS</b>			122,637		132,719
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			124,284		136,463
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		2		2
Profit and loss account			124,282		136,461
<b>SHAREHOLDERS' FUNDS</b>			124,284		136,463

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2011 in accordance with Section 476 of the Companies Act 2006

The director acknowledges his responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the director on *8th February 2012* and were signed by

  
Mr WA Gerrard - Director

The notes form part of these abbreviated accounts

**Severn Machine Tools Limited (Registered number. 02891101)**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 30 June 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

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**

Turnover represents sales of goods net of VAT and trade discounts. Turnover is recognised when the goods are physically delivered to the customer

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost

**Stocks**

Stock is valued at the lower of cost and net realisable value. Net realisable value represents estimated selling price less costs to complete and sell. Provision is made for slow moving, obsolete or damaged stock where the net realisable value is less than cost

**Deferred tax**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted

A net deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted

**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 and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

**Severn Machine Tools Limited (Registered number 02891101)**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 30 June 2011**

**2 TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 July 2010	96,685
Additions	95
	<hr/>
At 30 June 2011	96,780
<b>DEPRECIATION</b>	
At 1 July 2010	92,941
Charge for year	2,192
	<hr/>
At 30 June 2011	95,133
<b>NET BOOK VALUE</b>	
At 30 June 2011	<hr/> 1,647 <hr/>
At 30 June 2010	<hr/> 3,744 <hr/>

**3 CREDITORS**

Creditors include an amount of £22,798 (30 6 10 - £69,051) for which security has been given

**4 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value	30 6 11 £	30 6 10 £
2	Ordinary	1	<hr/> 2 <hr/>	<hr/> 2 <hr/>