

# *Aran Services Limited*

*Directors' report and financial statements*

*for the year ended 31 March 2009*

*Registered number 5045144*

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# Aran Services Limited

## Directors' report

The directors present their annual report with the financial statements of the company for the year ended 31 March 2009.

### Principal activity

The company's principal activity is energy efficiency insulation works, with associated surveying, consultancy, building and maintenance works.

### Business review

The directors are pleased to report another very successful period of trading and anticipate making further progress in the year ahead.

### Reserves and dividends

A dividend of £133,333 (net) (2008 - nil) was paid during the year. No final dividend is proposed (2008 - nil). The retained profit for the year after taxation and dividends of £524,525 (2008 - £202,621) is taken to Reserves.

### Directors and directors' interests

The directors, who held office during the period, had the following interests in the shares of the company, as recorded in the register of directors' share and debenture interests:

	Class of share	Interest at beginning of period	Interest at end of period
K A Morris	Ordinary £1 shares	70	70
S C Lansdown	Ordinary £1 shares	30	30
I S Bowers (appointed 2 June 2008)	Ordinary £1 shares	-	-

By order of the board



.....  
**K A Morris**  
*Secretary*

Units 3-6, The Old Station  
Lower Green  
Higham  
Bury St Edmunds  
Suffolk IP28 6NL

Date: **28.05.2009**.....

**Aran Services Limited**  
**Profit and loss account**  
*for the year ended 31 March 2009*

	<i>Note</i>	<b>2009</b> £	<b>2008</b> £
<b>Turnover</b>	2	4,972,620	2,586,503
Cost of sales		(2,703,468)	(1,483,896)
<b>Gross profit</b>		<u>2,269,152</u>	<u>1,102,607</u>
Administrative & distribution expenses		(1,357,559)	(845,757)
<b>Operating profit</b>		<u>911,593</u>	<u>256,850</u>
Interest receivable		4,372	7,291
<b>Profit before taxation</b>	2 & 3	<u>915,965</u>	<u>264,141</u>
Taxation	4	(258,107)	(61,520)
<b>Profit for the period</b>		<u>657,858</u>	<u>202,621</u>
Retained profits brought forward		529,388	326,767
Dividends	5	(133,333)	-
<b>Retained profits carried forward</b>		<u><u>£1,053,913</u></u>	<u><u>£529,388</u></u>

There were no recognised gains or losses other than the profits for the periods.

There are no differences between the profits on ordinary activities before taxation and the retained profits for the periods as stated above and their historical cost equivalents.

No activities were acquired or discontinued in either period.

The accompanying accounting policies and notes form an integral part of these financial statements.

**Aran Services Limited**  
**Balance sheet**  
*at 31 March 2009*


	<i>Note</i>	<b>2009</b>		<b>2008</b> <i>(as restated)</i>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		245,733		174,344
<b>Current assets</b>					
Stocks	9	52,146		24,639	
Debtors	10	1,077,144		567,024	
Cash at bank and in hand		592,435		224,216	
			<u>1,721,725</u>		<u>815,879</u>
<b>Creditors: amounts falling due within one year</b>	11	(851,246)		(412,116)	
<b>Net current assets</b>			870,479		403,763
<b>Total assets less current liabilities</b>			<u>1,116,212</u>		<u>578,107</u>
<b>Creditors: amounts falling due after more than one year</b>	12		(62,199)		(48,619)
<b>Net assets</b>			<u><u>£1,054,013</u></u>		<u><u>£529,488</u></u>
<b>Capital and reserves</b>					
Called up share capital	13		100		100
Profit and loss account			1,053,913		529,388
<b>Shareholders' funds</b>	15		<u><u>£1,054,013</u></u>		<u><u>£529,488</u></u>

The directors consider that the company is entitled for the period ended 31 March 2009 to exemption from audit of its financial statements conferred by section 249A(1) of the Companies Act 1985. The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2009, in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2009 and of its result for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements, so far as applicable to the company.

These financial statements were approved by the board of directors on 28/05/2009 and were signed on its behalf by:

  
 .....  
**K A Morris - Director**

  
 .....  
**S C Lansdown - Director**

The accompanying accounting policies and notes form an integral part of these financial statements.

# Aran Services Limited

Notes *(forming part of the financial statements)*

## 1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

### *Tangible fixed assets and depreciation*

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Leasehold improvements	- 20% per annum on cost
Plant & machinery	- 50% per annum on cost.
Commercial & motor vehicles	- 25% per annum on cost.
Computer & office equipment, Furniture, fixtures & fittings	- 20% - 33.33% per annum on cost.

### *Pension costs*

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

### *Amounts recoverable on contracts*

Uninvoiced income attributable to contracts is included in Amounts recoverable on contracts, within Debtors, at sales value. *(2008 – as restated – previously within Work in progress, at sales value).*

### *Stocks*

Stocks of raw materials and consumables are stated at the lower of cost and net realisable value. Cost comprises the original purchase price and any direct costs attributable to location and condition. Net realisable value is the amount estimated to be subsequently realisable, less costs to completion and related selling and distribution costs. *(2008 - as restated – Work in progress, at sales value, now within Debtors).*

### *Hire purchase and lease purchase*

Assets held under hire purchase and lease purchase agreements are capitalised as tangible fixed assets and depreciated accordingly. The capital amounts of obligations under such agreements are included within Creditors. Finance elements of rental payments are charged to the profit and loss account annually.

### *Operating leases*

Rentals applicable to operating leases are charged to the profit and loss account as incurred.

### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax to the extent that it is probable that an actual liability will crystallise.

### *Turnover*

Turnover (excluding value added tax) represents the invoiced value of services and goods supplied.

# Aran Services Limited

## Notes (continued)

### 2 Turnover and profit on ordinary activities before taxation

All of the company's turnover and profit derived from its principal activity.

	2009	2008
	£	£
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Hire of equipment & vehicles	£13,048	£3,128
Other operating lease rentals	£27,460	£17,919
Depreciation - owned tangible fixed assets	£65,572	£44,589
Depreciation - tangible fixed assets under hire purchase contracts	£80,006	£55,583

### 3 Staff costs and directors' remuneration

The average number of persons employed by the company (including directors) during the year, was 50 (2008 - 32). The aggregate payroll costs of these persons were as follows:

	2009	2008
	£	£
Directors' remuneration	270,266	172,496
Staff wages and salaries	1,220,739	692,249
Social security costs	170,890	91,886
	<u>£1,661,895</u>	<u>£956,631</u>

The remuneration of the highest paid director was £134,632 (2008 - £107,107). Directors' benefits in kind totalled £10,535 (2008 - £8,339); company pension contributions totalled £6,145 (2007 - £1,083).

### 4 Taxation

	2009	2008
	£	£
UK corporation tax at 27% (2008 - 20.15%) - current	£258,107	£61,520

There were no material differences between the actual tax charge for the year, and the notional charges based on the Accounts results before tax, in respect of either year.

### 5 Dividends

	2009	2008
	£	£
Interim dividend of £1,333.33 (2008 - nil) (net) per share - paid	£133,333	£ -

### 6 Pension scheme

The company operates a defined contribution pension scheme. All directors are covered. The pension cost charge for the period, representing contributions payable by the company to the fund, was £19,351 (2008 - £2,467). The outstanding contributions at the end of the financial year were £2,328 (2008 - £ -).

### 7 Related party disclosures

In accordance with FRS8 requirements, it is disclosed that the ultimate controlling party of the company is Mr K A Morris; Mr Morris has provided personal guarantees to the providers of asset loan finance.

# Aran Services Limited

Notes (continued)

8	Tangible fixed assets	Computer & office				Total
		Leasehold improvements	equipment, furniture, fixtures, fittings	Plant & machinery	Commercial & motor vehicles	
		£	£	£	£	£
	<b>Cost</b>					
	At beginning of year	23,234	9,506	50,166	293,154	376,060
	Additions	14,560	10,885	23,398	191,056	239,899
	Disposals	-	(1,750)	-	(54,228)	(55,978)
	At end of year	<u>37,794</u>	<u>18,641</u>	<u>73,564</u>	<u>429,982</u>	<u>559,981</u>
	<b>Depreciation</b>					
	At beginning of year	4,647	4,513	41,423	151,133	201,716
	Charge for year	7,559	5,040	20,442	112,537	145,578
	On disposals	-	(860)	-	(32,186)	(33,046)
	At end of year	<u>12,206</u>	<u>8,693</u>	<u>61,865</u>	<u>231,484</u>	<u>314,248</u>
	<b>Net book value</b>					
	At 31 March 2009	<u>£25,588</u>	<u>£9,948</u>	<u>£11,699</u>	<u>£198,498</u>	<u>£245,733</u>
	At 31 March 2008	<u>£18,587</u>	<u>£4,993</u>	<u>£8,743</u>	<u>£142,021</u>	<u>£174,344</u>

The net book value of assets held under hire purchase contracts at 31 March 2009 was £147,548 (2008 - £97,357).

9	Stocks	2009	2008
		£	(As restated) £
	Raw materials and consumables	<u>£52,146</u>	<u>£24,639</u>
10	Debtors	Due within one year	
		2009	2008
		£	(As restated) £
	Trade debtors	1,015,280	528,286
	Amounts recoverable on contracts	36,746	14,899
	Other debtors – VAT recoverable	11,227	8,175
	Prepayments	13,891	15,664
		<u>£1,077,144</u>	<u>£567,024</u>

# Aran Services Limited

## Notes (continued)

<b>11</b>	<b>Creditors: amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
		£	£
	Trade creditors	263,387	146,395
	Corporation tax	258,991	62,000
	Other taxes and social security	92,087	40,094
	Obligations under hire purchase contracts (secured) – current portion	65,630	51,096
	Accruals	21,978	29,528
	Deferred income	29,800	30,185
	Directors' loan accounts	29,924	590
	Wages and other creditors	89,449	52,228
		<b>£851,246</b>	<b>£412,116</b>
		<b>£851,246</b>	<b>£412,116</b>
<b>12</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2009</b>	<b>2008</b>
		£	£
	Obligations under hire purchase contracts (secured) – long term portion	£62,199	£48,619
		<b>£62,199</b>	<b>£48,619</b>
		<b>£62,199</b>	<b>£48,619</b>
<b>13</b>	<b>Called up share capital</b>	<b>2009</b>	<b>2008</b>
	<i>Ordinary shares of £1 each</i>	£	£
	Authorised	£1,000,000	£1,000,000
		<b>£1,000,000</b>	<b>£1,000,000</b>
	Allotted, called up and fully paid	£100	£100
		<b>£100</b>	<b>£100</b>
		<b>£100</b>	<b>£100</b>
<b>14</b>	<b>Leasing commitments</b>		
	At 31 March 2009, the company's annual commitments under non-cancellable operating leases were: -		
	Land & buildings - expiry within: five to ten years - £27,500; one year - £6,500. (2008 - £24,500).		
	Plant & machinery - expiry within: one year - £2,580 (2008 - £ -).		
<b>15</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2009</b>	<b>2008</b>
		£	£
	Profit for the year after taxation	657,858	202,621
	Dividends paid	(133,333)	-
		<b>524,525</b>	<b>202,621</b>
	Increase in shareholders' funds in period	<b>524,525</b>	<b>202,621</b>
	Opening shareholders' funds	529,488	326,867
		<b>529,488</b>	<b>326,867</b>
	Closing shareholders' funds - all Equity interests	<b>£1,054,013</b>	<b>£529,488</b>
		<b>£1,054,013</b>	<b>£529,488</b>