

Aran Services Limited

Directors' report and unaudited financial statements

for the year ended 31 March 2010

Registered number 5045144

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Aran Services Limited

Registered number 5045144

Directors' report

The directors present their annual report with the unaudited financial statements of the company for the year ended 31 March 2010

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

Dividends of £2,533.33 (2009 - £1,333.33) (net) per share were paid during the year. The retained profit for the year after taxation and dividends of £213,234 (2009 - £524,525) 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	Ordinary £1 shares	-	-

This Report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime

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 21ST MAY 2010

Aran Services Limited
Profit and loss account
for the year ended 31 March 2010

Registered number 5045144

	<i>Note</i>	2010 £	2009 £
Turnover	2	5,157,318	4,972,620
Cost of sales		(2,915,979)	(2,703,468)
Gross profit		<u>2,241,339</u>	<u>2,269,152</u>
Administrative & distribution expenses		(1,599,017)	(1,357,559)
Operating profit		<u>642,322</u>	<u>911,593</u>
Interest receivable		229	4,372
Profit on ordinary activities before taxation	2 & 3	<u>642,551</u>	<u>915,965</u>
Taxation	4	(175,984)	(258,107)
Profit for the period		<u>466,567</u>	<u>657,858</u>
Retained profits brought forward		1,053,913	529,388
Dividends	5	(253,333)	(133,333)
Retained profits carried forward		<u><u>£1,267,147</u></u>	<u><u>£1,053,913</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 2010

Registered number 5045144

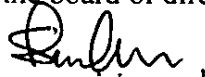
	Note	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	8		221,960		245,733
Current assets					
Stocks	9	82,249		52,146	
Debtors	10	811,628		1,077,144	
Cash at bank and in hand		1,050,507		592,435	
		<u>1,944,384</u>		<u>1,721,725</u>	
Creditors: amounts falling due within one year	11	<u>(873,247)</u>		<u>(851,246)</u>	
Net current assets			<u>1,071,137</u>		<u>870,479</u>
Total assets less current liabilities			<u>1,293,097</u>		<u>1,116,212</u>
Creditors: amounts falling due after more than one year	12		<u>(25,850)</u>		<u>(62,199)</u>
Net assets			<u><u>£1,267,247</u></u>		<u><u>£1,054,013</u></u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			1,267,147		1,053,913
Shareholders' funds	15		<u><u>£1,267,247</u></u>		<u><u>£1,054,013</u></u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of its financial statements for the year by virtue of section 477. and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements were approved by the board of directors and were signed on its behalf by

Date 21st May 2010

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	- 20% - 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 a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme 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.

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.

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

	2010	2009
	£	£
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Hire of equipment & vehicles	£34,062	£13,048
Other operating lease rentals	£34,000	£27,460
Depreciation - owned tangible fixed assets	£89,735	£65,572
Depreciation - tangible fixed assets under hire purchase contracts	£62,518	£80,006
	<u>£180,310</u>	<u>£186,086</u>

3 Staff costs and directors' remuneration

The average number of persons employed by the company during the year, was 59 (2009 - 50) The aggregate payroll costs of these persons were as follows

	2010	2009
	£	£
Directors' remuneration	229,747	270,266
Staff wages and salaries	1,400,267	1,220,739
Social security costs	169,580	170,890
	<u>£1,799,594</u>	<u>£1,661,895</u>

Directors - benefits in kind - £27,463 (2009 - £10,535) Pension contributions - £26,490 (2009 - £6,145)

4 Taxation

	2010	2009
	£	£
UK corporation tax at 25.9% (2009 - 27%) - current	£175,984	£258,107
	<u>£175,984</u>	<u>£258,107</u>

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

	2010	2009
	£	£
Interim dividends of £2,533.33 (2009 - £1,333.33) (net) per share - paid	£253,333	£133,333
	<u>£253,333</u>	<u>£133,333</u>

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 £36,749 (2009 - £19,351). Outstanding contributions at the end of the financial year were £1,651 (2009 - £2,328).

7 Related party disclosures

The directors consider 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. Dividends paid to - K A Morris - £177,333 (2009 - £93,333), S C Lansdown - £76,000 (2009 - £40,000). Amounts owed to the shareholding directors - K A Morris - £86,672 (2009 - £23,924), S C Lansdown - £36,000 (2009 - £6,000). These amounts are included in Creditors due within one year (note 11).

Aran Services Limited

Notes (continued)

8	Tangible fixed assets	Computer & office				Total £
		Leasehold improve- ments £	equipment, furniture, fixtures, fittings £	Plant & machinery £	Commercial & motor vehicles £	
	Cost					
	At beginning of year	37,794	18,641	73,564	429,982	559,981
	Additions	740	15,838	16,993	96,109	129,680
	Disposals	-	-	(2,700)	(14,400)	(17,100)
	At end of year	<u>38,534</u>	<u>34,479</u>	<u>87,857</u>	<u>511,691</u>	<u>672,561</u>
	Depreciation					
	At beginning of year	12,206	8,693	61,865	231,484	314,248
	Charge for year	7,706	9,191	18,485	116,871	152,253
	On disposals	-	-	(2,700)	(13,200)	(15,900)
	At end of year	<u>19,912</u>	<u>17,884</u>	<u>77,650</u>	<u>335,155</u>	<u>450,601</u>
	Net book value					
	At 31 March 2010	<u>£18,622</u>	<u>£16,595</u>	<u>£10,207</u>	<u>£176,536</u>	<u>£221,960</u>
	At 31 March 2009	<u>£25,588</u>	<u>£9,948</u>	<u>£11,699</u>	<u>£198,498</u>	<u>£245,733</u>

The net book value of assets held under hire purchase contracts at 31 March 2010 was £110,291
(2009 - £147,548)

9	Stocks	2010	2009
		£	£
	Raw materials and consumables	<u>£82,249</u>	<u>£52,146</u>
10	Debtors	Due within one year	
		2010	2009
		£	£
	Trade debtors	759,823	1,015,280
	Amounts recoverable on contracts (at sales value)	25,015	36,746
	VAT recoverable	5,682	11,227
	Prepayments	20,708	13,891
	Other debtors	400	-
		<u>£811,628</u>	<u>£1,077,144</u>

Aran Services Limited

Notes (continued)

11	Creditors: amounts falling due within one year	2010	2009
		£	£
	Trade creditors	381,131	263,387
	Corporation tax	175,984	258,991
	Other taxes and social security	60,503	92,087
	Obligations under hire purchase contracts (secured) – current portion	59,683	65,630
	Accruals	9,964	21,978
	Deferred income	-	29,800
	Directors' loan accounts	122,672	29,924
	Wages and other creditors	63,310	89,449
		<u>£873,247</u>	<u>£851,246</u>
		=====	=====
12	Creditors: amounts falling due after more than one year	2010	2009
		£	£
	Obligations under hire purchase contracts (secured) – long term portion	£25,850	£62,199
		<u>£25,850</u>	<u>£62,199</u>
		=====	=====
13	Called up share capital	2010	2009
	<i>Ordinary shares of £1 each</i>	£	£
	Authorised	£1,000,000	£1,000,000
		<u>£1,000,000</u>	<u>£1,000,000</u>
		=====	=====
	Allotted, called up and fully paid	£100	£100
		<u>£100</u>	<u>£100</u>
		=====	=====
14	Leasing commitments		
	At 31 March 2010, the company's annual commitments under non-cancellable operating leases were -		
	Land & buildings - expiry within five to ten years - £34,000 (2009 - £27,500), one year - £ -		
	(2009 - £6,500)		
	Plant & machinery - expiry within one year - £10,120 (2009 - £2,580)		
15	Reconciliation of movements in shareholders' funds	2010	2009
		£	£
	Profit for the year after taxation	466,567	657,858
	Dividends paid	(253,333)	(133,333)
		<u>213,234</u>	<u>524,525</u>
	Increase in shareholders' funds in period	213,234	524,525
	Opening shareholders' funds	1,054,013	529,488
		<u>1,054,013</u>	<u>529,488</u>
		=====	=====
	Closing shareholders' funds - all Equity interests	£1,267,247	£1,054,013
		<u>£1,267,247</u>	<u>£1,054,013</u>
		=====	=====