

Company No. 1248351

Allenbuild Limited

Annual Report

Year ended 30 September 2011



Contents of the Annual Report

	Page
Company information	1
Report of the directors	2-6
Independent auditor's report	7
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10-20

Company information

Directors	E G Carlisle S J Clarkson A Dudley Renew Corporate Director Limited
Secretary	Renew Nominees Limited
Registered office	Yew Trees Main Street North Aberford West Yorkshire LS25 3AA
Registered number	1248351
Auditor	KPMG Audit Plc 1 The Embankment Neville Street Leeds LS1 4DW
Bankers	HSBC Bank plc 4th Floor, City Point 29 King Street Leeds LS1 2HL

Report of the Directors

The directors present their report and the audited financial statements for the year ended 30 September 2011

Principal activities

The principal activities of the company are unchanged since last year and consist of building contracting and civil engineering. The company operates from regional offices in Cheam, Leeds and Wigan. Company registered number is 1248351.

Business review and future developments

The directors are pleased to note the increase in turnover and the improvement in operating profit. During the year, the Board decided to withdraw from the discretionary public sector building markets which were serviced mainly from the North. As a result the company has incurred restructuring and redundancy costs but the directors believe that this decision will strengthen the company's business opportunities and limit its exposure to risks arising from the challenging economic climate. Strong relationships and a long standing reputation for providing value and quality are expected to provide business opportunities during the coming financial year.

The Company's ultimate holding company, Renew Holdings plc, remains committed to supporting Allenbuild both financially and commercially for the foreseeable future.

Results and dividends

The loss for the financial year after taxation was £3,477,000 (2010 loss £191,000). No dividends have been paid (2010 £nil). The deficit for the year has been transferred from reserves (2010 deficit transferred from reserves).

Key performance indicators

The directors have established a number of key performance indicators which they use to measure and monitor the performance of the company in a number of different areas. These measures are set out in the table below.

The directors have set a target range for operating profit (before central management charges and exceptional items) as a % of sales as a key performance indicator for the business and this is reviewed each month.

The directors have established a target for repeat business of 66% as a medium term target to be achieved over the next three years as the company endeavours to focus its activities in line with the group's strategy. The order target has been established as part of the Board's drive to improve the quality and sustainability of the company's workload and to support the reliability of financial performance. The safety record improvement target is set annually and achievement of this target is an essential component of the bonus scheme for each director and senior manager within the company.

Report of the Directors (Continued)

	2011	2010
Operating profit % of sales		
Upper range target	2.0%	2.0%
Actual performance	(0.3)%	0.0%
Lower range target	1.0%	1.0%
Percentage of orders from repeat clients	65%	49%
Accident Incidence Rate (A.I.R.)	307	380

Principal risks and uncertainties

This annual report contains certain forward looking statements. These statements are made by the directors in good faith, based on the information available to them up to the time of approval of this report. Actual results may differ to those expressed in such statements, depending on a variety of factors. These factors include customer acceptance of the company's services, levels of demand in the market, restrictions to market access, competitive pressure on pricing or additional costs, failure to retain or recruit key personnel and overall economic conditions.

A risk inherent in the construction industry occurs in the nature, timing and contractual conditions which exist at the time of contract procurement. To mitigate these risks, the company has a system of pre-contract and pre-tender risk assessment whereby senior management, including the directors where appropriate, review and advise on specific issues arising in the contract procurement process. The company also seeks to limit its risks by specialising in certain markets where it has extensive experience and a particular skills base.

Derivatives and other financial instruments

The company's principal financial instruments comprise bank loans, cash and short-term deposits. The main purpose of these financial instruments is to provide finance for the company's operations. The company has various other financial instruments such as trade debtors and trade creditors that arise directly from its operations. It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are interest rate risk and liquidity risk.

Liquidity risk

The company is a participant together with a number of fellow subsidiaries in the group banking arrangements of its ultimate holding company, Renew Holdings plc, and as a result has risks associated with the financial status and performance of the other companies within that group.

Credit risk

The company's principal financial assets are bank balances, cash, amounts recoverable on contracts and trade debtors, which represent maximum exposure to credit risk in relation to financial assets.

The company's credit risk is primarily attributable to its amounts recoverable on contracts and trade debtors. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The amounts presented in the balance sheet are net of allowances for doubtful debts, estimated by the company's management based on prior experience and their assessment of the current economic environment.

Report of the Directors (Continued)

Environment

The company's policy with regard to the environment is to ensure that the actual and potential environmental impact of its activities is understood and effectively managed. Operations are conducted so as to comply with all legal requirements relating to the environment in all areas where business is carried out. During the period covered by this report the company has not incurred any fines or penalties or been investigated for any breach of environmental regulations.

Donations

Charitable donations made by the company during the year amounted to £5,570 (2010 £5,067)

Directors

The directors and officers serving during the year and subsequently were

E G Carlisle	Director	
S J Clarkson	Director	
A Dudley	Director	
S Kelly	Director	(resigned 14 April 2011)
Renew Corporate Director Limited	Director	

No director had a beneficial interest in the share capital of any subsidiary of Renew Holdings plc

No directors had interests in the share capital of Renew Holdings plc

No director was granted, or exercised, any options to subscribe in the shares of Renew Holdings plc during the year ended 30 September 2011

Employee involvement and policy

The directors recognise the need for communication with employees at every level. All employees have access to a copy of the group annual report and financial statements, which together with regular staff briefings, internal notice board statements and an in-house magazine called 'Horizons', keep them informed of progress within the company and the group.

The company continues to be committed to the health, safety and welfare of its employees and observe the terms of the Health & Safety at Work Act 1974 and subsequent legislation and regulations.

It is the policy of the company that there shall be no discrimination or less favourable treatment of employees or job applicants in respect of race, colour, ethnic or national origins, religion, sex, disability, political beliefs or marital status. The company engages, promotes and trains staff on the basis of their capabilities, qualifications and experience, without discrimination, giving all employees an equal opportunity to progress within the company. Full consideration will be given to suitable applications for employment from disabled persons where they have the necessary skills and abilities for that position, and wherever possible to re-train employees who become disabled, so that they can continue their employment in another position.

Report of the Directors (Continued)

Safety, Health and Environmental Policies

The company continues to strive to improve its safety, health and environmental (SHE) standards and performance. The SHE objectives as set by the group were monitored regularly throughout the year and are reviewed in response to performance and changes in legislation.

All levels of management are required to undertake SHE monitoring activities, from SHE tours by directors to SHE surveys by senior managers and SHE inspections by site and workplace management.

It is the company's policy to report all accidents regardless of severity. Accident and incident reports are assessed to identify their main cause and analysed to identify trends and areas for improvement in the same way as for findings of inspection, tours and surveys.

The company recognises that effective training is important to the improvement of SHE performance. There is a regular programme of internal health and safety courses for all personnel. In addition, several managers successfully completed the Site Safety Management Training Scheme, a five-day training course accredited and certificated by the Construction Industry Training Board.

Quality assurance

The company is committed to the achievement of quality. It operates a quality management system which complies with the requirements of BS EN ISO 9001:1994 and is audited on a continual basis by BSI Quality Assurance.

Supplier payment policy

The company recognises the importance of good relationships with its suppliers and sub-contractors and has established the following payment policy:

- (a) agree payment terms in advance of any commitment being entered into,
- (b) ensure suppliers are made aware of these terms by inclusion of the terms of payment on the order or contract, and
- (c) ensure that payments are made in accordance with the terms of the contract or order providing that the presented documentation is complete and accurate.

The company's average creditor days during the year were 30 days (2010: 31 days).

Report of the Directors (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Disclosure of information to the auditor

At the date of making this report each of the company's directors, as set out on page 1, confirm the following

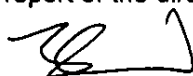
- So far as each director is aware, there is no relevant information needed by the company's auditor in connection with preparing their report of which the company's auditor is unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditor in connection with preparing their report and to establish that the company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit plc will therefore continue in office

Approval

The report of the directors was approved by the Board on 18 November 2011 and signed on its behalf by



J Samuel
For and on behalf of Renew Nominees Limited – Secretary
Company registered number is 1248351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLENBUILD LIMITED

We have audited the financial statements of Allenbuild Limited for the year ended 30 September 2011 set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

- In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its loss for the year then ended,
 - have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
 - have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Chris Heard (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW
18 November 2011

Profit and Loss account

Year ended 30 September 2011

	Note	2011 £000	2010 £000
Turnover	1	109,147	89,165
Cost of sales		(104,962)	(83,164)
Gross profit		4,185	6,001
Administrative expenses		(349)	(5,932)
Operating profit	2	3,836	69
Operating (loss)/profit before exceptional items			
		(288)	69
Exceptional items	2	4,124	-
Operating profit	2	3,836	69
Amounts written-off investments	6	(7,187)	-
Income from fixed asset investments		279	
(Loss)/profit on ordinary activities before taxation		(3,072)	69
Taxation	4	(405)	(260)
Loss for the financial year	13	(3,477)	(191)

All the company's activities are derived from continuing operations

There is no difference between the (loss)/profit on ordinary activities before taxation and the historical cost equivalents

The company has no recognised gains or losses other than the losses above and therefore no separate statement of total recognised gains and losses has been presented

Balance Sheet

As at 30 September 2011

	Note	2011		2010	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	5		234		306
Investments	6		234		7,421
			<hr/>		<hr/>
			468		7,727
Current assets					
Stocks and work in progress	7	-		5	
Debtors due after more than one year	8	3,799		1,547	
Debtors due within one year	8	49,772		50,541	
Cash at bank and in hand		2		1	
		<hr/>		<hr/>	
		53,573		52,094	
Creditors - amounts falling due within one year	9	(43,984)		(48,110)	
		<hr/>		<hr/>	
Net current assets			9,589		3,984
			<hr/>		<hr/>
Total assets less current liabilities			10,057		11,711
			<hr/>		<hr/>
Creditors - amounts falling due after more than one year	10		(2,472)		(649)
			<hr/>		<hr/>
Net assets			7,585		11,062
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	12		17,352		17,352
Profit and loss account	13		(9,767)		(6,290)
			<hr/>		<hr/>
Equity shareholders' funds	13		7,585		11,062
			<hr/>		<hr/>

The financial statements were approved by the Board on 18 November 2011 and signed on its behalf by



J Samuel
For and on behalf of Renew Corporate Director Limited
Director

Notes to the financial statements

Year ended 30 September 2011

1 ACCOUNTING POLICIES

Basis of financial statements

The financial statements are prepared on the going concern basis under the historical cost convention, the accounting policies set out below and in accordance with applicable United Kingdom accounting standards

Going concern basis

The Company's ultimate holding company, Renew Holdings plc, remains committed to supporting Allenbuild both financially and commercially for the foreseeable future and as a result the directors believe that the going concern basis is appropriate for the preparation of these financial statements

A summary of the more important accounting policies which have been applied consistently is set out below

Group financial statements

The company is exempt from the obligation to prepare and deliver group accounts by virtue of section 400 of the Companies Act 2006 Accordingly, the financial statements only present information about the company and do not contain information about the group as a whole

Turnover

Turnover represents the invoiced amount of goods sold and services provided less returns and allowances, excluding value added tax In the case of long term contracts, turnover represents the sales value of work done during the year, including estimates in respect of amounts not invoiced Turnover is generated entirely in the UK, and the company continues to operate within a single business segment, construction and civil engineering

Long term contracts

Long term contracts are stated at cost plus attributable profit after providing for anticipated future losses and contingencies Progress payments received are deducted from these amounts Cost includes appropriate attributable overheads Long term contract work in progress is included in debtors as amounts recoverable under contracts

Stocks

Stock is stated at the lower of cost and net realisable value Cost excludes overheads and interest

Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets Provision is made at rates calculated to write off the cost of each asset, less estimated residual value, over its expected useful life as follows

Plant and machinery	20-33% straight-line
Fixtures & fittings	5-50% straight-line
Motor vehicles	25% straight-line

Where there is evidence of impairment, fixed assets are written down to recoverable amount Any such write down would be charged to operating profit

Notes to the financial statements (continued)

Year ended 30 September 2011

1 ACCOUNTING POLICIES (continued)

Research and development expenditure

Expenditure on research and development is written off to the profit and loss account in the year in which it is incurred

Investments

Investments are included in the balance sheet at cost less amounts written off, representing impairment in value

Pension commitments

The company does not operate its own pension scheme. Prior to 1 April 2008 its employees were eligible to join the Renew Holdings plc Pension Scheme which was a defined contribution scheme. From 1 April 2008, this scheme was closed to further contributions and members were eligible to set up stakeholder pension plans under a Renew Holdings umbrella scheme which operates on a similar basis to the previous scheme with the cost of contributions being charged to the profit and loss account as incurred.

Leased assets

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Deferred tax

Deferred tax is provided, except as noted below, on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes.

In accordance with FRS 19 'Deferred tax', deferred tax is not provided on timing differences arising from gains on the sale of non-monetary assets, where on the basis of all available evidence it is more likely than not that the taxable gain will be rolled over into replacement assets.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Dividends on shares presented within equity shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes to the financial statements (continued)

Year ended 30 September 2011

2 OPERATING PROFIT	2011 £000	2010 £000
The operating profit is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the financial statements	40	39
Depreciation of owned assets	199	155
Loss on disposal of fixed assets	2	-
Hire of plant and machinery	1,829	1,364
Operating lease rentals – Land and buildings	587	594
Operating leases rentals – other	160	106
Exceptional item – restructuring and redundancy costs	2,835	-
Exceptional item – Office of Fair Trading fine (see note 16)	135	-
Exceptional item – Credit arising from the write back of intercompany balances	(7,094)	-
Group management charges	182	188
	<u> </u>	<u> </u>

During the year, a number of the company's former subsidiaries were dissolved resulting in the write back of intercompany balances and a credit to the profit and loss account amounting to £7,094,000

3 DIRECTORS AND EMPLOYEES	2011 No	2010 No.
The average monthly number of employees, including directors, during the year was as follows		
Construction	52	56
Administration	195	203
	<u> </u>	<u> </u>
	247	259
	<u> </u>	<u> </u>
	2011 £000	2010 £000
Staff costs, including directors' remuneration, were as follows		
Wages and salaries	13,047	11,634
Social security costs	1,271	1,279
Other pension costs	820	834
	<u> </u>	<u> </u>
	15,138	13,747
	<u> </u>	<u> </u>

Notes to the financial statements (continued)

Year ended 30 September 2011

3 DIRECTORS AND EMPLOYEES (continued)

	2011 £000	2010 £000
Directors' emoluments:		
Aggregate emoluments	618	544
Company contributions to stakeholder pension plans	75	66
	<u>693</u>	<u>610</u>

At 30 September 2011, the number of directors who had contributions to their stakeholder pension plans paid by the Company was 3 (2010 4)

	2011 £000	2010 £000
Highest paid director.		
Aggregate emoluments	203	182
Stakeholder pension plan contributions	18	10
	<u>221</u>	<u>192</u>

Notes to the financial statements (continued)

Year ended 30 September 2011

4 TAXATION	2011 £000	2010 £000
UK Corporation Tax		
Current tax on (loss)/profit for the year	-	-
	<hr/>	<hr/>
Current taxation	-	-
Deferred taxation		
Origination of short term timing differences	130	-
(Reversal) of brought forward trading losses	(535)	(260)
	<hr/>	<hr/>
Tax charge on (loss)/profit on ordinary activities	(405)	(260)
	<hr/> <hr/>	<hr/> <hr/>
Current tax reconciliation		
	2011	2010
	£000	£000
(Loss)/profit on ordinary activities before taxation	(3,072)	69
	<hr/>	<hr/>
Theoretical tax at UK corporation tax rate 27% (2010 28%)	829	(19)
Effects of		
- group relief	(829)	-
- utilisation of prior year losses	-	19
	<hr/>	<hr/>
Actual current taxation charge	-	-
	<hr/> <hr/>	<hr/> <hr/>

Losses have been recognised to the extent that they are expected to be utilised in the foreseeable future. A further £10.3m of trading losses which would give rise to a deferred tax asset of £2.7m have not been recognised due to uncertainty surrounding recoverability.

Notes to the financial statements (continued)

Year ended 30 September 2011

5 TANGIBLE FIXED ASSETS

	Fixtures and fittings £000	Motor vehicles £000	Total £000
Cost			
At 1 October 2010	3,352	59	3,411
Additions	117	17	134
Disposal	-	(16)	(16)
	<hr/>	<hr/>	<hr/>
At 30 September 2011	3,469	60	3,529
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1 October 2010	3,061	44	3,105
Charge for year	186	13	199
Disposal	-	(9)	(9)
	<hr/>	<hr/>	<hr/>
At 30 September 2011	3,247	48	3,295
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 30 September 2011	222	12	234
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 September 2010	291	15	306
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements (continued)

Year ended 30 September 2011

6 FIXED ASSET INVESTMENTS

Shares in subsidiary undertakings	£000
Cost	
At 1 October 2010	9,532
Eliminated on disposal	(9,230)
At 30 September 2011	<u>302</u>
Provisions	
At 1 October 2010	(2,111)
Eliminated on disposal	2,043
At 30 September 2011	<u>(68)</u>
Net book values	
Net book value at 30 September 2011	<u>234</u>
Net book value at 30 September 2010	<u>7,421</u>

Subsidiary undertakings	Registration and principal place of business	Proportion of ordinary shares held by company	Principal business activity
Allenbuild (North West) Ltd	England	100%	Dormant
Allenbuild (South East) Ltd	England	100%	Dormant
Inhoco 3520 Ltd	England	100%	Dormant

During the year, a number of the company's former subsidiaries were dissolved resulting in the write off of the carrying value of those investments and a charge to the profit and loss account amounting to £7,187,000

7 STOCKS AND WORK IN PROGRESS

	2011 £000	2010 £000
Raw materials and consumables	-	5

Notes to the financial statements (continued)

Year ended 30 September 2011

8 DEBTORS

	2011	2010
	£000	£000
Amounts due after more than one year		
Amounts recoverable on contracts	<u>3,799</u>	<u>1,547</u>
Amounts due within one year		
Trade debtors	5,562	7,559
Amounts owed by group undertakings	28,415	28,599
Amounts recoverable on contracts	12,468	11,343
Other debtors	2	18
Deferred tax (see note 11)	1,360	1,765
Value added tax recoverable	1,653	929
Prepayments and accrued income	312	328
	<u>49,772</u>	<u>50,541</u>

9 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£000	£000
Bank loans and overdrafts	10,374	9,544
Payments received on account	6,849	3,221
Trade creditors	10,371	8,345
Amounts owed to group undertakings	5,528	12,368
Other taxes and social security	160	140
Other creditors	270	783
Accruals and deferred income	10,432	13,209
Provision for Office of Fair Trading fine (see note 16)	-	500
	<u>43,984</u>	<u>48,110</u>

Under the terms of the Renew Holding plc's group banking agreement, security has been granted over the company's assets to the group's bankers

10 CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011	2010
	£000	£000
Trade creditors	<u>2,472</u>	<u>649</u>

Notes to the financial statements (continued)

Year ended 30 September 2011

11 PROVISIONS FOR LIABILITIES AND CHARGES

The movement in the deferred tax asset is as follows

	Deferred tax asset	
	£000	
At 1 October 2010		1,765
Profit and loss charge		(405)
		<hr/>
At 30 September 2011		1,360
		<hr/> <hr/>
	2011	2010
	£000	£000
Accelerated capital allowances	<u>211</u>	<u>188</u>
Other timing differences	<u>130</u>	<u>—</u>
Trading losses carried forward	<u>1,019</u>	<u>1,577</u>
	<hr/>	<hr/>
Total deferred tax asset	<u>1,360</u>	<u>1,765</u>

The company has £10,349,000 of further tax losses carried forward representing an unrecognised deferred tax asset of £2,714,000

12 SHARE CAPITAL

	2011	2010
	£000	£000
Equity shares		
Authorised		
30,000,000 (2010 30,000,000) ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>
Allotted, issued and fully paid 17,351,840 (2010 17,351,840) ordinary shares of £1 each	<u>17,352</u>	<u>17,352</u>

Notes to the financial statements (continued)

Year ended 30 September 2011

13 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Share capital £000	Profit & loss account £000	Total £000
At 1 October 2010	17,352	(6,290)	11,062
Loss for the year		(3,477)	(3,477)
	<hr/>	<hr/>	<hr/>
At 30 September 2011	17,352	(9,767)	7,585
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14 OTHER FINANCIAL COMMITMENTS

The company had no capital commitments at the year end (2010 £nil)

The company had annual commitments under non-cancellable operating leases as follows

	2011		2010	
	Land and buildings £000	Plant, equipment & vehicles £000	Land and buildings £000	Plant, equipment & vehicles £000
Operating leases expiring				
Within one year	39	3	39	43
Between two and five years	-	91	-	10
Over five years	542	-	587	-
	<hr/>	<hr/>	<hr/>	<hr/>
	581	94	626	53
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15 PENSION COMMITMENTS

The company does not operate its own pension schemes. Its employees are eligible to join stakeholder pension plans under a Renew Holdings umbrella scheme with the cost of contributions being charged to the profit and loss account as incurred.

During the year the company has made payments of £820,000 (2010 £583,000) into stakeholder pension plans. There were no liabilities outstanding at the year end (2010 £nil).

Notes to the financial statements (continued)

Year ended 30 September 2011

16 OFFICE OF FAIR TRADING FINE

In the year ended 30 September 2009, the Company received the decision from the Office of Fair Trading ('OFT') following its investigation into tender activities within the construction sector. Allenbuild admitted two offences of cover pricing relating to offences which occurred in 2003 and 2004 in the Midlands office of Allenbuild, which has subsequently closed. These admissions were made based upon evidence presented by the OFT. There are no employees connected with the offences still with the Company. Prior to the OFT investigation, the Board of Allenbuild was entirely unaware of these offences.

Immediately following the commencement of the OFT investigation, the Company introduced reinforced group wide tendering procedures which are as advised by a leading firm of lawyers. These strict guidelines and controls are in place to ensure that the Company is in compliance with competition laws. Compliance with these procedures is audited on a regular basis. The directors confirm that the practice of cover pricing is not regarded as acceptable within Allenbuild.

Following appeals held by the Competition Act Tribunal in 2010, the fine levied on Allenbuild Limited was determined at £634,629. The fine was paid in September 2011.

17 CONTINGENT LIABILITIES

Under the terms of a group debenture and guarantee, a fixed and floating charge over the assets of the company has been granted to HSBC Bank plc.

The company has issued performance bonds amounting to £13,562,000 (2010: £15,493,000) in the normal course of trading.

18 CASH FLOW STATEMENT AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Renew Holdings plc and is included in the consolidated financial statements of Renew Holdings plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 'Cash flow statements' (revised 1996).

The company is also exempt under the terms of Financial Reporting Standard 8 'Related party disclosures' from disclosing related party transactions with Renew Holdings plc or subsidiaries, which are more than 90% owned, of Renew Holdings plc. There are no other related party transactions.

19 PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is YJL Limited which is a wholly-owned subsidiary of Renew Holdings plc both of which are incorporated in England and Wales. The smallest and largest group for which consolidated financial statements are prepared is Renew Holdings plc.

The registered address for the company, its immediate parent and Renew Holdings plc which is the ultimate holding company, is Yew Trees, Main Street North, Aberford, West Yorkshire LS25 3AA. Copies of the financial statements can be obtained from the Company Secretary at that address.