

Aran Services Limited

Directors' report and unaudited financial statements

for the year ended 31 March 2011

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 2011

Principal activity

The company's principal activity is to offer "whole house" energy efficiency solutions to the energy efficiency challenge, by offering insulation and renewable energy solutions to reduce the carbon footprint and CO2 emissions of buildings within the United Kingdom

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 £1,000 (2010 -£2,533 33) (net) per share were paid during the year. The retained profit for the year after taxation and dividends of £381,736 (2010 - £213,234) 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 (resigned 18 May 2011)	Ordinary £1 shares	-	-

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

On behalf of the board

K A Morris
Director



Date **27th MAY 2011**

Units 1-6, The Old Station
Lower Green
Higham
Bury St Edmunds
Suffolk IP28 6NE

Aran Services Limited
Profit and loss account
for the year ended 31 March 2011

Registered number 5045144

	<i>Note</i>	2011 £	2010 £
Turnover	2	5,588,607	5,157,318
Cost of sales		(3,421,839)	(2,915,979)
Gross profit		<u>2,166,768</u>	<u>2,241,339</u>
Administrative & distribution expenses		(1,508,197)	(1,599,017)
Operating profit		<u>658,571</u>	<u>642,322</u>
Interest receivable		165	229
Profit on ordinary activities before taxation	2 & 3	<u>658,736</u>	<u>642,551</u>
Taxation	4	(177,000)	(175,984)
Profit for the period		<u>481,736</u>	<u>466,567</u>
Retained profits brought forward		1,267,147	1,053,913
Dividends	5	(100,000)	(253,333)
Retained profits carried forward		<u><u>£1,648,883</u></u>	<u><u>£1,267,147</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 2011

Registered number 5045144

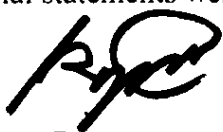
	Note	2011		2010	
		£	£	£	£
Fixed assets					
Tangible assets	8		201,726		221,960
Current assets					
Stocks	9	99,052		82,249	
Debtors	10	1,229,399		811,628	
Cash at bank and in hand		1,030,239		1,050,507	
		<u>2,358,690</u>		<u>1,944,384</u>	
Creditors: amounts falling due within one year	11	<u>(861,770)</u>		<u>(873,247)</u>	
Net current assets			<u>1,496,920</u>		<u>1,071,137</u>
Total assets less current liabilities			<u>1,698,646</u>		<u>1,293,097</u>
Creditors: amounts falling due after more than one year	12		<u>(49,663)</u>		<u>(25,850)</u>
Net assets			<u><u>£1,648,983</u></u>		<u><u>£1,267,247</u></u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			1,648,883		1,267,147
Shareholders' funds	15		<u><u>£1,648,983</u></u>		<u><u>£1,267,247</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 **27th May 2011**

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

	2011	2010
	£	£
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Hire of equipment & vehicles	66,269	34,062
Other operating lease rentals	36,250	34,000
Depreciation - owned tangible fixed assets	81,866	89,735
Depreciation - tangible fixed assets under hire purchase contracts	72,353	62,518
	<u> </u>	<u> </u>

3 Staff costs and directors' remuneration

The average number of persons employed by the company during the year, was 69 (2010 - 59) The aggregate payroll costs of these persons were as follows.

	2011	2010
	£	£
Directors' remuneration	216,000	229,747
Staff wages and salaries	1,509,790	1,400,267
Social security costs	198,509	169,580
	<u> </u>	<u> </u>
	<u>£1,924,299</u>	<u>£1,799,594</u>

Directors - benefits in kind - £25,659 (2010 - £27,463) Pension contributions - £16,560 (2010 - £26,490)

4 Taxation

	2011	2010
	£	£
UK corporation tax at 26% (2010 - 25.9%) - current	£177,000	£175,984
	<u> </u>	<u> </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

	2011	2010
	£	£
Interim dividend of £1,000.00 (2010 - £2,533.33) (net) per share - paid	£100,000	£253,333
	<u> </u>	<u> </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 £29,189 (2010 - £36,749). Outstanding contributions at the end of the financial year were £1,583 (2010 - £1,651).

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 - £70,000 (2010 - £177,333), S. C. Lansdown - £30,000 (2010 - £76,000). Amounts owed to the shareholding directors - K. A. Morris - £20,000 (2010 - £86,672), S. C. Lansdown - £ - (2010 - £36,000). 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	38,534	34,479	87,857	511,691	672,561
	Additions	21,584	2,305	14,391	95,705	133,985
	Disposals	-	-	-	(15,995)	(15,995)
	At end of year	<u>60,118</u>	<u>36,784</u>	<u>102,248</u>	<u>591,401</u>	<u>790,551</u>
	Depreciation					
	At beginning of year	19,912	17,884	77,650	335,155	450,601
	Charge for year	12,024	8,396	13,981	119,818	154,219
	On disposals	-	-	-	(15,995)	(15,995)
	At end of year	<u>31,936</u>	<u>26,280</u>	<u>91,631</u>	<u>438,978</u>	<u>588,825</u>
	Net book value					
	At 31 March 2011	<u>£28,182</u>	<u>£10,504</u>	<u>£10,617</u>	<u>£152,423</u>	<u>£201,726</u>
	At 31 March 2010	<u>£18,622</u>	<u>£16,595</u>	<u>£10,207</u>	<u>£176,536</u>	<u>£221,960</u>

The net book value of assets held under hire purchase contracts at 31 March 2011 was £119,356
(2010 - £110,291)

9	Stocks	2011	2010
		£	£
	Raw materials and consumables	<u>£99,052</u>	<u>£82,249</u>
10	Debtors	Due within one year	
		2011	2010
		£	£
	Trade debtors	1,004,925	759,823
	Amounts recoverable on contracts (at sales value)	147,404	25,015
	VAT recoverable	54,280	5,682
	Prepayments	22,440	20,708
	Other debtors	350	400
		<u>£1,229,399</u>	<u>£811,628</u>

Aran Services Limited

Notes (continued)

11	Creditors: amounts falling due within one year	2011	2010
		£	£
	Trade creditors	448,712	381,131
	Corporation tax	177,000	175,984
	Other taxes and social security	54,001	60,503
	Obligations under hire purchase contracts (secured) – current portion	50,847	59,683
	Accruals	15,785	9,964
	Deferred income	15,331	-
	Directors' loan accounts	20,000	122,672
	Wages and other creditors	80,094	63,310
		£861,770	£873,247
		£861,770	£873,247
12	Creditors: amounts falling due after more than one year	2011	2010
		£	£
	Obligations under hire purchase contracts (secured) – long term portion	£49,663	£25,850
		£49,663	£25,850
		£49,663	£25,850
13	Called up share capital	2011	2010
	<i>Ordinary shares of £1 each</i>	£	£
	Allotted, called up and fully paid	£100	£100
		£100	£100
		£100	£100
14	Leasing commitments		
	At 31 March 2011, the company's annual commitments under non-cancellable operating leases were -		
	Land & buildings - expiry within five to ten years - £37,000 (2010 - £34,000)		
	Plant & machinery - expiry within one year - £17,147 (2010 - £10,120)		
15	Reconciliation of movements in shareholders' funds	2011	2010
		£	£
	Profit for the year after taxation	481,736	466,567
	Dividends paid	(100,000)	(253,333)
	Increase in shareholders' funds in period	381,736	213,234
	Opening shareholders' funds	1,267,247	1,054,013
	Closing shareholders' funds - all Equity interests	£1,648,983	£1,267,247
		£1,648,983	£1,267,247