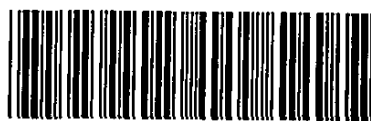


Financial Statements Skaino Atmos Limited

For the year ended 31 December 2011

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COMPANIES HOUSE

Registered number: 01241033

Company Information

Company registration number 01241033

Registered office New Creation Farm
Nether Heyford
Northampton
NN7 3LB

Directors Mr K Bartholomew
Mr J A Thomason
Mr I C Callard
Mr M J Farrant
Miss H J Oldham
Mr E P Hunt
Mr D Walsma

Company secretary Miss H J Oldham

Bankers Barclays Bank Plc
Wellingborough Road
Northampton

Solicitors Shoosmiths
The Lakes
Northampton

Mason Bullock
4 Albion Place
Northampton

Auditor Grant Thornton UK LLP
Colmore Plaza
20 Colmore Circus
Birmingham
B4 6AT

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Directors' Report

For the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The company continues to trade as heating, plumbing and building contractors

Results

There was a loss for the year after taxation amounting to £37,885 (2010 - profit of £58,492) The directors do not recommend payment of a dividend

Directors

The directors who served during the year were

Mr M J Farrant (Chairman)
Mr K Bartholomew
Mr I C Callard
Mr J A Thomason
Miss H J Oldham
Mr E P Hunt
Mr D Walsma

In July 2011, the company adopted a new Articles of Association Under the revised Articles, there is no longer a requirement for the directors to retire by rotation

Directors' Report

For the year ended 31 December 2011

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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,
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Directors' Report

For the year ended 31 December 2011

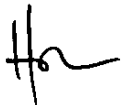
Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

Small company exemption

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

This report was approved by the board on 11 September 2012 and signed on its behalf



Miss H J Oldham
Secretary



Independent Auditor's Report to the Members of Skaino Atmos Limited

We have audited the financial statements of Skaino Atmos Limited for the year ended 31 December 2011, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, 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 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 Auditing Practices Board's website 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 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.



Independent Auditor's Report to the Members of Skaino Atmos Limited

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

Grant Thornton UK LLP

Kathryn Godfree

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

26/9/12

Profit and Loss Account

For the year ended 31 December 2011

	Note	2011 £	2010 £
Turnover	1	2,050,706	1,922,728
Cost of sales		(1,626,915)	(1,423,529)
Gross profit		423,791	499,199
Operating Expenses		(475,043)	(429,184)
(Loss)/profit on ordinary activities before taxation		(51,252)	70,015
Tax on (loss)/profit on ordinary activities	5	13,367	(11,523)
(Loss)/profit on ordinary activities after taxation	13	(37,885)	58,492

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

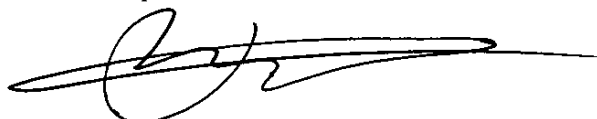
The notes on pages 8 to 16 form part of these financial statements

Balance Sheet

As at 31 December 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	6		129,080		121,560
Current assets					
Stocks	7	222,849		284,195	
Debtors	8	562,604		391,692	
Cash at bank		201,497		377,492	
		<u>986,950</u>		<u>1,053,379</u>	
Creditors: amounts falling due within one year	9	<u>(221,740)</u>		<u>(242,764)</u>	
Net current assets			<u>765,210</u>		<u>810,615</u>
Total assets less current liabilities			<u>894,290</u>		<u>932,175</u>
Provisions for liabilities					
Other provisions	10		<u>(85,912)</u>		<u>(85,912)</u>
Net assets			<u>808,378</u>		<u>846,263</u>
Capital and reserves					
Called up share capital	12		5,000		5,000
Profit and loss account	13		803,378		841,263
Shareholders' funds	14		<u>808,378</u>		<u>846,263</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 September 2012



Mr D Walsma
Director

The notes on pages 8 to 16 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice)

The company's accounting policies are unchanged compared with the prior year

1.2 Turnover

Turnover is the revenue arising from the sales of goods and services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Revenue from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual installments over their estimated useful economic lives. The rates generally applicable are:

Short leasehold land and buildings	-	Over the lease term
Motor vehicles	-	20 - 25%
Plant and equipment	-	20%

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value, after provisions are made in respect of obsolete and slow moving items, based on historical experience of utilisation on a category-by-category basis.

Cost of raw materials, consumables and goods for resale is based on purchased cost on a first-in, first-out basis.

Cost of work in progress and finished goods is based on the cost of direct materials and labour plus attributable overheads based on a normal level of activity, on a first-in, first-out basis.

Net realisable value is the estimated selling price less all further costs to complete and all costs to be incurred in marketing, selling and distribution.

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies (continued)

1.5 Long-term contracts

Contract work in progress which extends over periods greater than 12 months is stated at cost, determined on the same basis as for short term contracts, less foreseeable losses and payments on account. Where the progress payments exceed the amounts matched with turnover and have been offset against long term contract balances, the balance is included in creditors due within one year as payments on account.

1.6 Current tax

The current tax charge is based on the result for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Payment is made/received at the current rate of tax for tax losses received/surrendered under the group relief provisions. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses.

1.7 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies (continued)

1.9 Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction, except where the transaction is to be settled using a contracted rate, in which case that rate is used. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

Foreign exchange gains and losses are credited or charged to the profit and loss account as they arise.

1.10 Provisions for liabilities and charges

Provisions (other than provisions for post retirement benefits and deferred taxation) are recognised when the company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. If the effect of discounting is material, provisions are determined by discounting the expected value of future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability. The unwinding of any discount is recognised as a finance charge in the profit and loss account.

A contingent liability arises where the company has a possible obligation as a result of past events, or where the company has a present obligation as a result of past events, but where the transfer of economic benefit to settle the obligation is not probable, or the amount of the liability cannot be measured with sufficient reliability. Contingent liabilities are disclosed in the notes to the financial statements.

2. Turnover and (loss)/profit on ordinary activities before taxation

The (loss)/profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	61,796	57,182
Fees payable to the company's auditor for the audit of the financial statements	12,350	12,100
Foreign exchange losses	1,847	3,954
Research and development expenditure written off	1,280	-
Loss/(profit) on sale of fixed assets	1,242	(11,044)
	<u>78,515</u>	<u>62,192</u>

The (loss)/profit before tax is attributable to the principal activity of the company.

Notes to the Financial Statements

For the year ended 31 December 2011

3. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011	2010
	£	£
Wages and salaries	463,992	421,430
Social security costs	27,176	26,751
	<u>491,168</u>	<u>448,181</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011	2010
	No.	No.
Production	27	20
Administration	8	12
	<u>35</u>	<u>32</u>

4. Directors' remuneration

	2011	2010
	£	£
Emoluments	<u>38,524</u>	<u>35,621</u>

5. Taxation

	2011	2010
	£	£
Analysis of tax (credit)/charge in the year		
Adjustments in respect of prior periods	(6,392)	-
	<u>(6,392)</u>	<u>-</u>
Group taxation relief	(6,975)	11,523
	<u>(13,367)</u>	<u>11,523</u>
Tax on (loss)/profit on ordinary activities		

Notes to the Financial Statements

For the year ended 31 December 2011

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £	2010 £
(Loss)/profit on ordinary activities before tax	(51,252)	70,015
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	(13,582)	19,604
Effects of		
Differences between capital allowances and depreciation	6,607	(7,920)
Adjustments to tax charge in respect of prior periods	(6,392)	-
Non-taxable income	-	(161)
Current tax (credit)/charge for the year (see note above)	(13,367)	11,523

6. Tangible fixed assets

	Short leasehold land and buildings £	Motor vehicles £	Plant and equipment £	Total £
Cost				
At 1 January 2011	71,081	246,842	147,466	465,389
Additions	-	75,480	3,439	78,919
Disposals	-	(40,807)	-	(40,807)
At 31 December 2011	71,081	281,515	150,905	503,501
Depreciation				
At 1 January 2011	64,891	169,541	109,397	343,829
Charge for the year	6,190	42,712	12,894	61,796
On disposals	-	(31,204)	-	(31,204)
At 31 December 2011	71,081	181,049	122,291	374,421
Net book value				
At 31 December 2011	-	100,466	28,614	129,080
At 31 December 2010	6,190	77,301	38,069	121,560

Notes to the Financial Statements

For the year ended 31 December 2011

7. Stocks

	2011	2010
	£	£
Raw materials	156,201	231,349
Contract work in progress	66,648	52,846
	<u>222,849</u>	<u>284,195</u>

8. Debtors

	2011	2010
	£	£
Trade debtors	406,992	336,845
Amounts owed by group undertakings	38,561	9,708
Corporation tax recoverable	6,392	-
Prepayments and accrued income	110,659	45,139
	<u>562,604</u>	<u>391,692</u>

9. Creditors:

Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	72,557	101,973
Amounts owed to group undertakings	30,922	32,801
Social security and other taxes	66,785	62,275
Accruals and deferred income	51,476	45,715
	<u>221,740</u>	<u>242,764</u>

Notes to the Financial Statements

For the year ended 31 December 2011

10. Provisions for liabilities

	Dilapidation Provision £	Warranty Provision £	Total Provision £
At 1 January 2011 and 31 December 2011	67,198	18,714	85,912

Dilapidation Provision

The dilapidation provision is based on the professional estimation of the costs to be incurred in restoring property to its previous condition when the lease expires at the end of 2015. The valuation was given by King Sturge LLP in 2010.

Warranty Provision

The warranty provision is based on the number of warrantable units sold in the year which have historically led to warranty repairs being carried out at the expense of the company.

11. Deferred taxation

No deferred tax asset has been recognised in the accounts, as its recoverability is uncertain.

The full potential deferred taxation asset, calculated on the liability method at 25% (2010: 28%) is analysed as follows:

	2011 £	2010 £
Fixed asset timing differences	6,853	5,344

12. Share capital

	2011 £	2010 £
Allotted, called up and fully paid 5,000 ordinary shares of £1 each	5,000	5,000

Notes to the Financial Statements

For the year ended 31 December 2011

13. Reserves

	Profit and loss account £
At 1 January 2011	841,263
Loss for the year	(37,885)
At 31 December 2011	<u>803,378</u>

14. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	846,263	787,771
(Loss)/profit for the year	(37,885)	58,492
Closing shareholders' funds	<u>808,378</u>	<u>846,263</u>

15. Capital commitments

There were no capital commitments at 31 December 2011 or 31 December 2010

16. Contingent liabilities

There is an unlimited interlocking guarantee given to Barclays Bank Plc by House of Goodness Limited, Skaino Services Limited, TBS Building Supplies Limited and White & Bishop Limited. At 31 December 2011, the potential liability of Skaino Services Limited was £nil (2010 - £nil)

17. Related party transactions

As a wholly-owned subsidiary of House of Goodness Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by that company

During the year the company made sales to its ultimate controlling party of £356,921 (2010 - £268,443) with an amount due to be received of £171,852 at 31 December 2011 (2010 - £63,654)

During the year the company made sales to the sons of a director of £nil (2010 - £75,715). The balance outstanding at 31 December 2011 was £nil (2010 - £32,659)

Notes to the Financial Statements

For the year ended 31 December 2011

18. Ultimate parent undertaking and controlling party

The directors consider that House of Goodness Limited is the intermediate holding company and controlling related party by virtue of shareholding, with Jesus Fellowship Community Trust being the ultimate parent undertaking

Copies of the intermediate parent's consolidated financial statements may be obtained from The Secretary, New Creation Farm, Nether Heyford, Northants, NN7 3LB