



Financial Statements Skaino Atmos Limited

For the year ended 31 December 2009

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COMPANIES HOUSE

Company No. 1241033

Company information

Company registration number:	1241033
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
Secretary:	Mr I C Callard
Bankers:	Barclays Bank Plc Wellingborough Road NORTHAMPTON
Solicitors:	Shoosmiths The Lakes NORTHAMPTON Mason Bullock 4 Albion Place NORTHAMPTON
Auditor:	Grant Thornton UK LLP Enterprise House 115 Edmund Street BIRMINGHAM B3 2HJ

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Report of the directors

The directors present their report together with financial statements for the year ended 31 December 2009

Principal activities

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

Business review

There was a profit for the year after taxation amounting to £83,656 (2008 - loss of £4,360) The directors do not recommend payment of a dividend

Directors

The present membership of the Board is set out below All directors served throughout the year

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

In accordance with the Articles of Association, Mr J Thomason and Mr M J Farrant retire by rotation and, being eligible, offer themselves for re-election

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to 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 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

Statement of directors' responsibilities (continued)

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

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

BY ORDER OF THE BOARD



I C Callard
Company Secretary

1 July 2010



Independent auditor's report to the members of Skaino Atmos Limited (registered number 1241033)

We have audited the financial statements of Skaino Atmos Limited for the year ended 31 December 2009 which comprise the principal accounting policies, 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 set out on pages 3 and 4, 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 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 website at www.frc.org.uk/apb/scope/UKNP

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 2009 and of its profit 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
(registered number 1241033)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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

19 July 2010

Principal accounting policies

Basis of preparation

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

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

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 instalments 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%

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

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.

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.

Deferred tax

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:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- 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.

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.

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.

Profit and loss account

		2009 £	2008 £
Turnover	1	2,029,343	2,077,950
Cost of sales		<u>1,582,221</u>	<u>1,726,622</u>
Gross profit		447,122	351,328
Net operating expenses		<u>(333,937)</u>	<u>(355,688)</u>
Profit/(loss) on ordinary activities before taxation	1	113,185	(4,360)
Tax on profit/(loss) on ordinary activities	3	<u>(29,529)</u>	-
Profit/(loss) on ordinary activities after taxation	11	<u><u>83,656</u></u>	<u><u>(4,360)</u></u>

There were no recognised gains or losses other than the result in the financial year

All operations are considered to be continuing

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

Balance sheet

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	4	95,008	108,305
Current assets			
Stock	5	392,951	441,065
Debtors	6	471,941	396,084
Cash at bank and in hand		<u>132,734</u>	<u>64,269</u>
		997,626	901,418
Creditors, amounts falling due within one year	7	<u>(248,694)</u>	<u>(245,496)</u>
Net current assets		<u>748,932</u>	<u>655,922</u>
Total assets less current liabilities		843,940	764,227
Provision for liabilities and charges	8	<u>(56,169)</u>	<u>(60,112)</u>
		<u>787,771</u>	<u>704,115</u>
Capital and reserves			
Called up share capital	10	5,000	5,000
Profit and loss account	11	<u>782,771</u>	<u>699,115</u>
Equity shareholders' funds	12	<u>787,771</u>	<u>704,115</u>

The financial statements were approved and authorised for issue by the Board of Directors on 1 July 2010



I C Callard
Director

Notes to the financial statements

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

The profit/(loss) on ordinary activities is stated after

	2009	2008
	£	£
Auditor's remuneration		
Audit services	11,900	13,935
Depreciation	45,997	42,412
Loss/(profit) on sale of fixed assets	3,606	(2,190)
Foreign exchange gains	(2,723)	(994)
	<u>461,613</u>	<u>445,910</u>

The turnover and profit/(loss) before tax are attributable to the principal activity of the company

2 Directors and employees

	2009	2008
	£	£
Wages and salaries	433,424	418,734
Social security costs	28,189	27,176
	<u>461,613</u>	<u>445,910</u>

The average number of employees of the company during the year was

	2009	2008
	No	No
Production	23	24
Administration	12	12
	<u>35</u>	<u>36</u>

Remuneration in respect of directors was as follows

	2009	2008
	£	£
Emoluments	<u>34,196</u>	<u>34,963</u>

3 Tax on profit/(loss) on ordinary activities

The tax charge represents

	2009 £	2008 £
Corporation tax at 28% (2008 - 20 75%)	12,515	-
Group relief	17,014	-
Total current tax on loss on ordinary activities	<u>29,529</u>	<u>-</u>

Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 28% (2008 - 20 75%) The differences are explained as follows

	2009 £	2008 £
Profit/(loss) on ordinary activities before tax	<u>113,185</u>	<u>(4,360)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 20 75%)	31,692	(905)
Effect of		
Expenses not deductible for tax purposes	11	175
Difference between capital allowances and depreciation	1,998	751
Income not taxable	-	(21)
Marginal relief	<u>(4,172)</u>	<u>-</u>
Current tax charge for the year	<u>29,529</u>	<u>-</u>

4 Tangible fixed assets

	Short leasehold land and buildings £	Motor vehicles £	Plant and equipment £	Total £
Cost				
At 1 January 2009	70,233	209,188	146,494	425,915
Additions	848	11,352	24,106	36,306
Disposals	-	-	(26,002)	(26,002)
At 31 December 2009	71,081	220,540	144,598	436,219
Depreciation				
At 1 January 2009	45,010	148,216	124,384	317,610
Charge for the year	11,904	23,062	11,031	45,997
Eliminated on disposals	-	-	(22,396)	(22,396)
At 31 December 2009	56,914	171,278	113,019	341,211
Net book amount at 31 December 2009	14,167	49,262	31,579	95,008
Net book amount at 31 December 2008	25,223	60,972	22,110	108,305

5 Stocks

	2009 £	2008 £
Raw materials	312,607	318,747
Contract work in progress	80,344	122,318
	392,951	441,065

6 Debtors

	2009 £	2008 £
Trade debtors	400,413	345,912
Amounts owed by group undertakings	27,316	6,776
Prepayments and accrued income	44,212	43,396
	471,941	396,084

7 Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	93,251	74,348
Amounts owed to group undertakings	50,162	65,744
Other taxation and social security	46,392	54,805
Accruals and deferred income	46,374	50,599
Corporation tax	12,515	-
	<u>248,694</u>	<u>245,496</u>

8 Provision for liabilities and charges

	Total provision £	Dilapidation provision £	Warranty provision £
At 1 January 2009	60,112	31,141	28,971
Utilised in the year	(3,943)	(3,943)	-
At 31 December 2009	<u>56,169</u>	<u>27,198</u>	<u>28,971</u>

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 2010. The valuation was undertaken by Bidwells Drake Property Consultants in 2004.

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.

9 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 28% (2008 - 28%) is analysed as follows:

	2009 £	2008 £
Accelerated capital allowances	<u>13,264</u>	<u>10,481</u>

10 Share capital

	2009 £	2008 £
Authorised, allotted, called up and fully paid 5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

11 Profit and loss account

	2009 £
At 1 January 2009	699,115
Retained profit for the year	<u>83,656</u>
At 31 December 2009	<u>782,771</u>

12 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit/(loss) for the financial year	83,656	(4,360)
Shareholders' funds at 1 January 2009	<u>704,115</u>	<u>708,475</u>
Shareholders' funds at 31 December 2009	<u>787,771</u>	<u>704,115</u>

13 Capital commitments

There were no capital commitments at 31 December 2009 or 31 December 2008

14 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 (formerly Towcester Building Supplies Limited) and White & Bishop Limited. At 31 December 2009, the potential liability of Skaino Services Limited was £nil (2008 - £nil)

15 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 £343,378 (2008 - £413,127) with an amount due to be received of £82,496 at 31 December 2009 (2008 - £99,399)

During the year the company made sales to the son of a director of £210,458 (2008 - £97,384). The balance outstanding at 31 December 2009 was £17,858 (2008 - £9,208)

16 Ultimate parent undertaking

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