

COMPANY REGISTRATION NUMBER 01509382

POWERDAY PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st JULY 2011

TUESDAY



A11Q8II0

A23

31/01/2012

#174

COMPANIES HOUSE

BREBNERS
Chartered Accountants & Statutory Auditor
The Quadrangle
180 Wardour Street
London
W1F 8LB

POWERDAY PLC
FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the shareholders	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	12
The following pages do not form part of the financial statements	
Detailed profit and loss account	23
Notes to the detailed profit and loss account	24

POWERDAY PLC

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr M R Crossan Mr J J Naughton Mr M L Bensted
Company secretary	Mr M R Crossan
Registered office	The Quadrangle 180 Wardour Street London W1F 8FY
Auditor	Brebners Chartered Accountants & Statutory Auditor The Quadrangle 180 Wardour Street London W1F 8LB
Bankers	Allied Irish Bank 14 Neeld Parade Harrow Road Wembley HA9 6SW

POWERDAY PLC

THE DIRECTORS' REPORT

YEAR ENDED 31st JULY 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st July 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company during the year continued to be the provision of integrated waste management and recycling services to a broad range of customers spanning construction, development, utility and municipal sectors

The directors are pleased with the increase in both turnover and profitability in what continues to be a challenging economic environment, and are hopeful that a similar trading performance can be achieved in the coming year

Financial Key Performance Indicators

	2011	2010
Turnover	30,924,995	25,565,256
Increase in turnover	21.0%	29.8%
Gross margin	41.3%	46.5%

The company monitors various financial key performance indicators as part of its monthly accounting and management reporting process

Non-Financial Key Performance Indicators

The company seeks to ensure that responsible business practice is fully integrated into the management of all of its operations and into the culture of all parts of its business. The directors believe that the consistent adoption of responsible business practice is essential for operation excellence, which in turn, ensures the delivery of its core objectives of sustained real growth in profitability.

In a company this size the directors consider there are collectively numerous non-financial performance indicators but none individually are key.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £5,834,078. Particulars of dividends paid are detailed in note 9 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial instruments comprise bank balances, trade creditors, trade debtors and hire purchase agreements. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the company has an overdraft facility which is continually monitored.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

POWERDAY PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31st JULY 2011

DIRECTORS

The directors who served the company during the year were as follows

Mr M R Crossan
Mr J J Naughton
Mr M L Bensted

POLICY ON THE PAYMENT OF CREDITORS

The group does not follow any specified code or standard on payment practice. However, it is the group's policy to negotiate terms with its suppliers and to ensure that they are aware of the terms of payment when business is agreed. Every effort is made to adhere to these terms and payment is made when it can be confirmed that goods and/or services have been provided in accordance with the relevant contract conditions.

The creditor payment period for the year was 60 days (2010: 67 days)

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 year.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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.

POWERDAY PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31st JULY 2011

In so far as the directors are 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

DONATIONS

During the year the company made the following contributions

	2011	2010
	£	£
Charitable	<u>7,238</u>	<u>10,550</u>

AUDITOR

A resolution to re-appoint Brebners as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006

Signed on behalf of the directors

Michael Crossan

M R Crossan
Director

Approved by the directors on 27/1/2012

POWERDAY PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
POWERDAY PLC
YEAR ENDED 31st JULY 2011

We have audited the financial statements of Powerday Plc for the year ended 31st July 2011 on pages 7 to 21. 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 shareholders, 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 shareholders 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 shareholders 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 to 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 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the company, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31st July 2011 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.

OPINION ON OTHER MATTERS 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.

POWERDAY PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
POWERDAY PLC *(continued)*

YEAR ENDED 31st JULY 2011

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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

Bubner

JOHN CRAIG (Senior Statutory
Auditor)
For and on behalf of
BREBNEERS
Chartered Accountants
& Statutory Auditor

The Quadrangle
180 Wardour Street
London
W1F 8LB

30/1/2012

POWERDAY PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st JULY 2011

	Note	2011 £	2010 £
TURNOVER	2	30,924,995	25,565,256
Cost of sales		18,144,642	13,689,587
GROSS PROFIT		12,780,353	11,875,669
Administrative expenses		4,431,560	3,711,174
OPERATING PROFIT	3	8,348,793	8,164,495
Interest receivable	6	67,413	51,651
Interest payable and similar charges	7	(244,927)	(334,756)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		8,171,279	7,881,390
Tax on profit on ordinary activities	8	2,337,201	2,180,171
PROFIT FOR THE FINANCIAL YEAR		<u>5,834,078</u>	<u>5,701,219</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 12 to 21 form part of these financial statements.

POWERDAY PLC

BALANCE SHEET

31st JULY 2011

	Note	2011 £	£	2010 £	£
FIXED ASSETS					
Intangible assets	10	601,627		493,345	
Tangible assets	11	13,983,005		13,766,903	
Investments	12	-		100	
		<u>14,584,632</u>		<u>14,260,348</u>	
CURRENT ASSETS					
Debtors	13	6,627,291		5,270,830	
Cash at bank and in hand		<u>10,669,962</u>		<u>6,673,686</u>	
		17,297,253		11,944,516	
CREDITORS: Amounts falling due within one year	14	<u>7,818,625</u>		<u>7,894,162</u>	
NET CURRENT ASSETS			<u>9,478,628</u>		<u>4,050,354</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,063,260</u>		<u>18,310,702</u>
CREDITORS: Amounts falling due after more than one year	15	4,978,316		6,160,204	
PROVISIONS FOR LIABILITIES					
Deferred taxation	18	517,196		731,857	
Provisions	19	<u>1,355,029</u>		-	
			<u>17,212,719</u>		<u>11,418,641</u>
CAPITAL AND RESERVES					
Called-up equity share capital	23	50,100		50,100	
Profit and loss account	24	<u>17,162,619</u>		<u>11,368,541</u>	
SHAREHOLDERS' FUNDS	25		<u>17,212,719</u>		<u>11,418,641</u>

These financial statements were approved by the directors and authorised for issue on 27/1/2012, and are signed on their behalf by

Michael Crossan

M R Crossan
Director

Company Registration Number 01509382

The notes on pages 12 to 21 form part of these financial statements.

POWERDAY PLC
CASH FLOW STATEMENT
YEAR ENDED 31st JULY 2011

	2011		2010
	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	11,858,339		8,881,673
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	67,413		51,651
Interest paid	(150,202)		(168,141)
Interest element of hire purchase	<u>(94,725)</u>		<u>(166,615)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(177,514)		(283,105)
TAXATION	(3,203,981)		(1,486,571)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire intangible fixed assets	(159,874)		(105,654)
Payments to acquire tangible fixed assets	(2,876,028)		(889,427)
Receipts from sale of fixed assets	218,000		400,777
Disposal of investments	<u>100</u>		<u>—</u>
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(2,817,802)		(594,304)
EQUITY DIVIDENDS PAID	(40,000)		(40,000)
CASH INFLOW BEFORE FINANCING	5,619,042		6,477,693
FINANCING			
Repayment of bank loans	(562,550)		(536,567)
Repayment of long-term amounts owed to group undertakings	(100)		—
Capital element of hire purchase	(1,021,289)		(1,120,715)
Repayment of directors' long-term loans	<u>(29,041)</u>		<u>(29,584)</u>
NET CASH OUTFLOW FROM FINANCING	(1,612,980)		(1,686,866)
INCREASE IN CASH	<u>4,006,062</u>		<u>4,790,827</u>

The notes on pages 12 to 21 form part of these financial statements

POWERDAY PLC
CASH FLOW STATEMENT
YEAR ENDED 31st JULY 2011

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	8,348,793	8,164,495
Amortisation	51,592	51,592
Depreciation	2,514,867	1,976,496
(Profit)/Loss on disposal of fixed assets	(46,991)	4,297
Increase in debtors	(1,356,461)	(1,674,099)
Increase/(decrease) in creditors	991,510	(304,143)
Increase in provisions	1,355,029	–
Other adjustments to reconciliation of operating profit to net cash in/outflow to operating activities 1	–	663,035
Net cash inflow from operating activities	<u>11,858,339</u>	<u>8,881,673</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2011 £	2010 £
Increase in cash in the period	4,006,062	4,790,827
Net cash outflow from bank loans	562,550	536,567
Net cash outflow from long-term amounts owed to group undertakings	100	–
Cash outflow in respect of hire purchase	1,021,289	1,120,715
Cash outflow from directors' long-term loans	<u>29,041</u>	<u>29,584</u>
Change in net funds resulting from cash flows	5,619,042	6,477,693
New finance leases	(25,950)	(1,435,700)
Other differences	–	370,568
Movement in net funds in the period	<u>5,593,092</u>	<u>5,412,561</u>
Net debt at 1 August 2010	(1,144,947)	(6,557,508)
Net funds at 31 July 2011	<u>4,448,145</u>	<u>(1,144,947)</u>

POWERDAY PLC
CASH FLOW STATEMENT
YEAR ENDED 31st JULY 2011

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Aug 2010 £	Cash flows £	Other changes £	At 31 Jul 2011 £
Net cash				
Cash in hand and at bank	6,673,686	3,996,276	–	10,669,962
Overdrafts	<u>(38,022)</u>	<u>9,786</u>	<u>–</u>	<u>(28,236)</u>
	<u>6,635,664</u>	<u>4,006,062</u>	<u>–</u>	<u>10,641,726</u>
Debt				
Debt due within 1 year	(608,989)	104,780	–	(504,209)
Debt due after 1 year	(4,971,050)	486,911	–	(4,484,139)
Hire purchase agreements	<u>(2,200,572)</u>	<u>1,021,289</u>	<u>(25,950)</u>	<u>(1,205,233)</u>
	<u>(7,780,611)</u>	<u>1,612,980</u>	<u>(25,950)</u>	<u>(6,193,581)</u>
Net funds	<u>(1,144,947)</u>	<u>5,619,042</u>	<u>(25,950)</u>	<u>4,448,145</u>

The notes on pages 12 to 21 form part of these financial statements.

POWERDAY PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st JULY 2011

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Licences - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost. It is the company's policy to capitalise interest arising on loans directly relating to assets under construction

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	-	Over the lease of 50 years
Plant & Machinery	-	8 - 25% straight line
Commercial Vehicles	-	15% straight line
Motor Vehicles	-	15 - 25% straight line

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent an equal charge in each period over the term of the agreement

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pension costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. Pension costs are charged against profits so that the expected costs of providing pensions are recognised during the period in which the benefit is derived from the employees' service

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

1. ACCOUNTING POLICIES *(continued)***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

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>30,924,995</u>	<u>25,565,256</u>

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2011 £	2010 £
Amortisation of intangible assets	51,592	51,592
Depreciation of owned fixed assets	1,786,879	1,304,254
Depreciation of assets held under hire purchase agreements	727,988	672,242
(Profit)/Loss on disposal of fixed assets	(46,991)	4,297
Auditor's remuneration - audit of the financial statements	42,000	42,000
Auditor's remuneration - other fees	<u>30,168</u>	<u>22,673</u>
	2011 £	2010 £
Auditor's remuneration - audit of the financial statements	<u>42,000</u>	<u>42,000</u>
Auditor's remuneration - other fees		
- Taxation services	11,543	8,673
- Other services	<u>18,625</u>	<u>14,000</u>
	<u>30,168</u>	<u>22,673</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Number of administrative staff	34	27
Number of operative staff	70	68
	<u>104</u>	<u>95</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	3,793,358	3,359,420
Social security costs	412,138	356,100
Other pension costs	49,386	33,801
	<u>4,254,882</u>	<u>3,749,321</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	<u>286,000</u>	<u>153,333</u>

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

5 DIRECTORS' REMUNERATION *(continued)***Remuneration of highest paid director:**

	2011 £	2010 £
Total remuneration (excluding pension contributions)	<u>112,000</u>	<u>-</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>2</u>	<u>2</u>

6 INTEREST RECEIVABLE

	2011 £	2010 £
Bank interest receivable	<u>67,413</u>	<u>51,651</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable on bank borrowing	150,202	168,141
Finance charges	<u>94,725</u>	<u>166,615</u>
	<u>244,927</u>	<u>334,756</u>

8 TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 27 33% (2010 - 28%)	2,551,862	2,281,562
Total current tax	2,551,862	2,281,562
Deferred tax		
Origination and reversal of timing differences	(214,661)	(101,391)
Tax on profit on ordinary activities	<u>2,337,201</u>	<u>2,180,171</u>

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

8. TAXATION ON ORDINARY ACTIVITIES *(continued)***(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 27.33% (2010 - 28%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>8,171,279</u>	<u>7,881,390</u>
Profit on ordinary activities by rate of tax	2,233,209	2,206,789
Depreciation in excess of capital allowances	238,649	28,532
Disallowable expenses	80,004	48,915
Utilisation of tax losses	-	(2,674)
Total current tax (note 8(a))	<u>2,551,862</u>	<u>2,281,562</u>

9 DIVIDENDS**Equity dividends**

	2011 £	2010 £
Paid		
Equity dividends on ordinary shares	<u>40,000</u>	<u>40,000</u>

10 INTANGIBLE FIXED ASSETS

	Licences £
COST	
At 1st August 2010	666,529
Additions	159,874
At 31st July 2011	<u>826,403</u>
AMORTISATION	
At 1st August 2010	173,184
Charge for the year	51,592
At 31st July 2011	<u>224,776</u>
NET BOOK VALUE	
At 31st July 2011	<u>601,627</u>
At 31st July 2010	<u>493,345</u>

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

11. TANGIBLE FIXED ASSETS

	Short Leasehold Property £	Plant & Machinery £	Commercial Vehicles £	Motor Vehicles £	Total £
COST					
At 1 August 2010	6,580,065	10,402,511	2,600,282	117,886	19,700,744
Additions	–	1,620,999	1,280,979	–	2,901,978
Disposals	–	(294,000)	(120,050)	–	(414,050)
At 31 July 2011	6,580,065	11,729,510	3,761,211	117,886	22,188,672
DEPRECIATION					
At 1 August 2010	455,362	3,966,034	1,401,200	111,245	5,933,841
Charge for the year	144,862	1,874,190	490,804	5,011	2,514,867
On disposals	–	(160,410)	(82,631)	–	(243,041)
At 31 July 2011	600,224	5,679,814	1,809,373	116,256	8,205,667
NET BOOK VALUE					
At 31 July 2011	5,979,841	6,049,696	1,951,838	1,630	13,983,005
At 31 July 2010	6,124,703	6,436,477	1,199,082	6,641	13,766,903

Hire purchase agreements

Included within the net book value of £13,983,005 is £2,147,098 (2010 - £2,898,309) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £727,988 (2010 - £672,242).

Capital commitments

	2011 £	2010 £
Contracted but not provided for in the financial statements	1,259,923	–

12 INVESTMENTS**Investment in Subsidiary**

	£
COST	
At 1st August 2010	100
Disposals	(100)
At 31st July 2011	–
NET BOOK VALUE	
At 31st July 2011	–
At 31st July 2010	100

Powerday PLC owned 100% of the issued ordinary £1 shares of Powerday Plant Limited, a non-trading company registered in England and Wales. The company was formally dissolved on 30th November 2010.

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

13 DEBTORS

	2011 £	2010 £
Trade debtors	4,966,364	4,114,380
Other debtors	348,752	449,761
Prepayments and accrued income	1,312,175	706,689
	<u>6,627,291</u>	<u>5,270,830</u>

14 CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	532,445	647,011
Trade creditors	2,689,496	1,971,735
Corporation tax	1,176,861	1,828,980
Other taxation and social security	539,210	632,633
Hire purchase agreements	711,056	1,011,418
Other creditors	558,247	631,459
Directors current accounts	50,000	50,000
Accruals and deferred income	1,561,310	1,120,926
	<u>7,818,625</u>	<u>7,894,162</u>

The bank loans and overdraft are secured by a mortgage debenture over the assets of the company

15 CREDITORS Amounts falling due after more than one year

	2011 £	2010 £
Bank loans	4,394,712	4,852,482
Amounts owed to group undertakings	-	100
Hire purchase agreements	494,177	1,189,154
Directors' loan accounts	89,427	118,468
	<u>4,978,316</u>	<u>6,160,204</u>

The bank loans represent a term loan with a repayment schedule of 5 years from the 31st August 2008. The bank loan is secured by a mortgage debenture over the assets of the company. Interest on the loan is charged at 2% over Libor.

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

16 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2011 £	2010 £
Amounts payable within 1 year	695,129	1,011,418
Amounts payable between 2 to 5 years	467,541	703,074
Amounts payable after more than 5 years	42,563	486,080
	<u>1,205,233</u>	<u>2,200,572</u>

Net obligations under finance leases and hire purchase agreements are secured on the assets themselves

17 PENSIONS

The company operates a defined contribution pension scheme and the amount paid during the year was £49,386 (2010 £33,801) the assets of the scheme are administered by trustees in a fund independent from those of the company

18 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2011 £	2010 £
Provision brought forward	731,857	833,248
Profit and loss account movement arising during the year	(214,661)	(101,391)
Provision carried forward	<u>517,196</u>	<u>731,857</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Excess of taxation allowances over depreciation on fixed assets	517,196	731,857
	<u>517,196</u>	<u>731,857</u>

19. PROVISIONS

	2011 £
Provisions:	
Movement for year	<u>1,355,029</u>

Provisions are recognised when the group has a legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle an obligation and the amount has been reliably estimated

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

20 COMMITMENTS UNDER OPERATING LEASES

At 31st July 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2011	2010
	£	£
Operating leases which expire		
Within 1 year	71,287	136,287
Within 2 to 5 years	65,000	-
After more than 5 years	323,456	323,456
	<u>459,743</u>	<u>459,743</u>

21. RELATED PARTY TRANSACTIONS

(a) Included in creditors at the year end are the following amounts due to directors and their wives

Falling due within one year
M R Crossan £50,000 (2010 £50,000)

Falling due after one year
M R Crossan £89,427 (2010 £118,468)

(b) Powerday Pension Scheme's participating employer is Powerday PLC. During the year the following amounts were charged by the pension scheme

Included in other debtors is an amount of £Nil (2010 £13,607) due from the pension scheme

(c) Included in other creditors is an amount of £Nil (2010 £14,795) owed to Chelsea Plant Hire Limited, a company in which M R Crossan is director and shareholder

22. CONTROL

Control of the company rests with the company's director, Mr M R Crossan, as described in the director's report

23 SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
25,050 Ordinary "A" shares of £1 each	25,050	25,050	25,050	25,050
25,050 Ordinary "B" shares of £1 each	25,050	25,050	25,050	25,050
	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>	<u>50,100</u>

POWERDAY PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st JULY 2011

23. SHARE CAPITAL (continued)

The rights, restrictions and privileges attaching to the "A" ordinary and "B" ordinary shares are as follows

(a) The "A" ordinary shares shall entitle the holders thereof to all the trade, assets and liabilities of the company, save that,

(b) The "B" ordinary shares shall entitle the holders thereof to those trade, assets and liabilities used by the company in the property development and construction division. These assets and liabilities comprise property held as trading stock with the excess of trade debtors over trade creditors

24. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	11,368,541	5,707,322
Profit for the financial year	5,834,078	5,701,219
Equity dividends	(40,000)	(40,000)
Balance carried forward	<u>17,162,619</u>	<u>11,368,541</u>

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	5,834,078	5,701,219
Equity dividends	(40,000)	(40,000)
Net addition to shareholders' funds	5,794,078	5,661,219
Opening shareholders' funds	11,418,641	5,757,422
Closing shareholders' funds	<u>17,212,719</u>	<u>11,418,641</u>