

**NEWPORT BUILDING SERVICES LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

TUESDAY



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COMPANIES HOUSE

**Company No 3588991 (England and Wales)**

# **NEWPORT BUILDING SERVICES LIMITED**

## **COMPANY INFORMATION**

Directors	H L Newport J C Taylor
Secretary	J C Taylor
Company number	3588991 (England and Wales)
Registered office	Newport House Victoria Court Hurricane Way Wickford Essex SS11 8YY
Reporting Accountants	Hamilton Brading Chartered Accountants 1 Sopwith Crescent Wickford Business Park Wickford Essex SS11 8YU

# **NEWPORT BUILDING SERVICES LIMITED**

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**NEWPORT BUILDING SERVICES LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2007**

The directors present their report and the financial statements for the year ended 31st December 2007

**Principal activity**

The company's principal activity continues to be that of building services

**Directors**

The directors who served during the year were as follows

H L Newport

J C Taylor

**Small company rules**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

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



J C TAYLOR

Director

Dated 30/9/08

Newport House  
Victoria Court  
Hurricane Way  
Wickford  
Essex SS11 8YY

**ACCOUNTANTS' REPORT**  
**TO THE BOARD OF DIRECTORS**  
**ON THE UNAUDITED FINANCIAL STATEMENTS**  
**NEWPORT BUILDING SERVICES LIMITED**

In accordance with the engagement letter dated 15<sup>th</sup> September 2005 and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account and Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements for the year ended 31st December 2007 that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not therefore express any opinion on the financial statements.

HAMILTON BRADING  
Chartered Accountants  
1 Sopwith Crescent  
Wickford Business Park  
Wickford  
Essex SS11 8YU



Reporting Accountants

3/10/08

**NEWPORT BUILDING SERVICES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Notes	2007	2006
<b>TURNOVER</b>	1,2	5,104,295	3,581,370
Cost of sales		<u>(4,361,986)</u>	<u>(2,765,482)</u>
<b>GROSS PROFIT</b>		742,309	815,888
Administrative expenses		(612,772)	(461,880)
Other operating income	3	<u>1,225</u>	<u>8,294</u>
		<u>(611,547)</u>	<u>(453,586)</u>
<b>OPERATING PROFIT</b>	4	130,762	362,302
Profit on disposal of tangible fixed assets		<u>-</u>	<u>2,558</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		130,762	364,860
Interest receivable		-	52
Interest payable	6	<u>(32,307)</u>	<u>(24,924)</u>
		<u>(32,307)</u>	<u>(24,872)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		98,455	339,988
Taxation on profit on ordinary activities	7	<u>(22,599)</u>	<u>(107,136)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR</b>		<u>£ 75,856</u>	<u>£232,852</u>

The notes on pages 6 to 13 form part of these financial statements

**NEWPORT BUILDING SERVICES LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>2007</b>	<b>2006</b>
<b>PROFIT FOR THE YEAR</b>	75,856	232,852
Unrealised surplus on revaluation of land and buildings	<u>161,529</u>	<u>-</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR AND SINCE THE LAST FINANCIAL STATEMENTS</b>	<u><u>£237,385</u></u>	<u><u>£232,852</u></u>

The notes on pages 6 to 13 form part of these financial statements

## NEWPORT BUILDING SERVICES LIMITED

## BALANCE SHEET AT 31 DECEMBER 2007

	Notes	2007	2006
<b>FIXED ASSETS</b>			
Tangible assets	8	382,683	212,047
Investments	9	<u>-</u>	<u>6,000</u>
		382,683	218,047
<b>CURRENT ASSETS</b>			
Stocks and work in progress	10	578,085	530,132
Debtors	11	848,200	398,168
Cash at bank and in hand		<u>3,981</u>	<u>251</u>
		1,430,266	928,551
<b>CREDITORS</b> : amounts falling due within one year	12	<u>1,165,108</u>	<u>(778,560)</u>
<b>NET CURRENT /ASSETS</b>		<u>265,158</u>	<u>149,991</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		647,841	368,038
<b>CREDITORS</b> : amounts falling due after more than one year	13	(231,952)	(80,210)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	14	<u>(8,863)</u>	<u>(7,216)</u>
<b>NET ASSETS</b>		<u>£407,026</u>	<u>£280,612</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	200	200
Revaluation reserve	19	161,529	-
Profit and Loss Account	19	<u>245,297</u>	<u>280,412</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>£407,026</u>	<u>£280,612</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit under Section 249B(2). The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31st December 2007 and of its profit for the year then ended, in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), were approved by the board and signed on its behalf

  
J C TAYLOR  
Director

Dated 30/4/08

The notes on pages 6 to 13 form part of these financial statements



# NEWPORT BUILDING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2007

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, as modified by the revaluation of land and buildings

##### 1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold land and buildings	At directors' discretion
Motor vehicles	25% reducing balance basis
Fixtures, fittings and equipment	25% reducing balance basis
Plant and machinery	25% reducing balance basis

##### 1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to Profit and Loss Account as incurred.

Land owned on which the company receives rental income under operating leases is recorded as a fixed asset investment. Rentals are recognised when received.

## NEWPORT BUILDING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2007

**1. ACCOUNTING POLICIES (continued)****1.6 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.7 Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

**1.8 Pensions**

The company contributes to money purchase pension schemes on behalf of the directors. The pension charge represents the amount paid by the company to the schemes in respect of the year.

**2. TURNOVER**

In the year to 31st December 2007 100% of the company's turnover was to markets within the United Kingdom (2006 - 100%)

**3. OTHER OPERATING INCOME**

	<b>2007</b>	<b>2006</b>
Rent received from operating leases	£1,225	£8,294
	<u>=====</u>	<u>=====</u>

**4. OPERATING PROFIT**

The operating profit is stated after charging	<b>£</b>	<b>£</b>
Hire of plant and machinery	307,660	198,083
Depreciation of tangible fixed assets owned by the company	20,860	13,081
held under finance leases	1,856	1,675
Pension cost	1,404	1,404
	<u>=====</u>	<u>=====</u>

**NEWPORT BUILDING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>2007</b>	<b>2006</b>
<b>5. DIRECTORS' REMUNERATION</b>		
Emoluments	82,186	67,139
Contributions under money purchase schemes	<u>1,404</u>	<u>1,404</u>
	<u>£83,590</u>	<u>£68,543</u>

During the year, retirement benefits were accruing to two directors in respect of money purchase schemes

<b>6. INTEREST PAYABLE</b>	<b>2007</b>	<b>2006</b>
Bank loans and overdrafts	31,354	24,415
Hire purchase	<u>953</u>	<u>509</u>
	<u>£32,307</u>	<u>£24,924</u>

<b>7. TAXATION</b>		
UK Corporation Tax – current year	20,952	106,174
Transfer to deferred taxation	<u>1,647</u>	<u>962</u>
	<u>£ 22,599</u>	<u>£107,136</u>

## NEWPORT BUILDING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2007

## 8. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
<b>Cost</b>					
At 1st January 2007	138,471	42,748	68,718	122,896	372,833
Additions	-	2,095	15,471	14,257	31,823
Surplus on revaluation	161,529	-	-	-	161,529
At 31st December 2007	300,000	44,843	84,189	137,153	566,185
<b>Depreciation</b>					
At 1st January 2007	-	37,522	44,460	78,804	160,786
Charge for year	-	1,525	8,311	12,880	22,716
Disposals	-	-	-	-	-
At 31st December 2007	-	39,047	52,771	91,684	183,502
<b>Net book value</b>					
At 1st January 2007	£138,471	5,226	24,258	44,092	212,047
At 31st December 2007	£300,000	5,796	31,418	45,469	382,683

Included above are assets held under finance leases or hire purchase contracts amounting to £12,401 (2006 - £11,918)

The freehold land and buildings were revalued to £300,000 during the year. The valuation was undertaken by a member of the Royal Institute of Chartered Surveyors for mortgage purposes. Had the freehold land and buildings not been included at valuation they would have been included under the historical cost convention at £138,471 (2006 - £138,471)

## 9. INVESTMENTS

	2007	2006
Freehold land	£ -	£6,000

**NEWPORT BUILDING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

**10. STOCK AND WORK IN PROGRESS**

	<b>2007</b>	<b>2006</b>
Raw materials	11,748	10,781
Work in progress	<u>566,337</u>	<u>519,351</u>
	<u>£578,085</u>	<u>£530,132</u>

**11. DEBTORS due within one year**

Trade debtors	324,155	246,009
Other debtors	<u>504,045</u>	<u>152,159</u>
	<u>£828,200</u>	<u>£398,168</u>

**12. CREDITORS: Amounts falling due within one year**

Bank loans and overdrafts	285,518	281,665
Net obligations under finance lease and hire purchase contracts	3,287	3,001
Trade creditors	595,530	245,227
Corporation Tax	20,952	104,479
Other creditors	<u>259,821</u>	<u>144,188</u>
	<u>£1,165,108</u>	<u>£778,560</u>

Included within other creditors is an amount of £222,759 (2006 - £120,146) relating to social security and other taxes. Of the creditors falling due within and after more than one year £520,353 are secured (2006 - £364,472). Of the secured debt, £227,467 is via a legal mortgage over the company's freehold premises (2006 - £361,471).

Bank loans outstanding at the year end amounted to £227,467 (2006 - £84,232).

The balance payable by instalments after more than five years is £200,772 (2006 - £58,240).

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2007</b>	<b>2006</b>
Bank loans	223,055	79,806
Net obligations under finance lease and hire purchase contracts	8,493	-
Other creditors	<u>404</u>	<u>404</u>
	<u>£231,952</u>	<u>£ 80,210</u>

**NEWPORT BUILDING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
<b>14. DEFERRED TAXATION</b>		
Balance at 1st January 2007	7,216	6,254
Credit for the year	<u>1,647</u>	<u>962</u>
Balance at 31st December 2007	<u>£8,863</u>	<u>£7,216</u>

No provision has been made for deferred taxation of £48,459 (2006 – nil) arising on the revaluation of freehold land and buildings. This amount would become payable in the event that the property was sold, however, there are no plans to do so in the foreseeable future.

**15. SHARE CAPITAL**

**Authorised**

Ordinary shares of £1 each	149,000	149,000
Ordinary 'B' shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>£150,000</u>	<u>£150,000</u>

**Allotted, called up and fully paid**

Ordinary shares of £1 each	198	198
Ordinary 'B' shares of £1 each	<u>2</u>	<u>2</u>
	<u>£200</u>	<u>£200</u>

All issued shares carry equal voting rights and rank equally in the event of a winding up. All share classes are entitled to dividends as and when declared.

**16. TRANSACTIONS WITH DIRECTORS**

Included within other creditors due after one year is a loan of £404 (2006 - £404) from H L Newport and J C Taylor, directors. The maximum amount outstanding during the year was £404 (2006 - £100,404).

**NEWPORT BUILDING SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2007****17. RELATED PARTIES****i) Centenary Diamond Drilling Limited**

H L Newport and J C Taylor, directors, jointly own the entire issued share capital of Centenary Diamond Drilling Limited a company incorporated in the United Kingdom Transactions with that company during the year were as follows

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Included in Turnover	12,883	436,018
Included in Cost of sales	467,814	362,444
Included in Debtors due within one year	80,670	-
Included in Creditors due within one year	238,693	77,684
	<u>=====</u>	<u>=====</u>

All transactions took place on normal commercial terms

**ii) Newport Developments (UK) Limited**

H L Newport director, owns the entire issued share capital of Newport Developments (UK) Limited a company incorporated in the United Kingdom Transactions with that company during the year were as follows.

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Included in Turnover	599	67,050
Included in Debtors due within one year	323,485	-
	<u>=====</u>	<u>=====</u>

All transactions took place on normal commercial terms

**iii) Newport Estates (UK) Limited**

H L Newport , director, owns the entire issued share capital of Newport Estates (UK) Limited a company incorporated in the United Kingdom Transactions with that company during the year were as follows

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Included in Turnover	147	-
Included in Debtors due within one year	6,173	-
	<u>=====</u>	<u>=====</u>

All transactions took place on normal commercial terms

**NEWPORT BUILDING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

**18. ULTIMATE CONTROLLER**

H L Newport and J C Taylor, directors, jointly own the entire issued share capital of the company and therefore control the company

**19. RECONCILIATION OF RESERVES**

	<b>Called up Share Capital</b>	<b>Revaluation Reserve</b>	<b>Profit and Loss Account</b>
Balance at 1 <sup>st</sup> January 2007	200	-	280,412
Surplus of revaluation of land and buildings	-	161,529	-
Profit for the year	-	-	75,856
Dividends paid	<u>-</u>	<u>-</u>	<u>(110,971)</u>
Balance at 31 <sup>st</sup> December 2007	<u>£ 200</u>	<u>£161,529</u>	<u>£245,297</u>



**NEWPORT BUILDING SERVICES LIMITED**  
**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
<b>SALES</b>	5,057,309	3,685,648
Work in progress adjustment	<u>46,986</u>	<u>(104,278)</u>
<b>TURNOVER</b>	5,104,295	3,581,370
<b>COST OF SALES</b>		
Opening stock	10,781	10,781
Materials	799,583	547,866
Plant hire	307,660	198,083
Direct wages	997,888	827,411
Subcontractors	2,079,713	1,094,089
Other direct expenses	<u>178,109</u>	<u>98,033</u>
	4,373,734	2,776,263
Less: Closing stock	<u>(11,748)</u>	<u>(10,781)</u>
<b>GROSS PROFIT</b>	742,309	815,888
<b>OTHER INCOME</b>		
Rent received	1,225	8,294
Interest received	<u>-</u>	<u>52</u>
	743,534	824,234
<b>OVERHEAD EXPENSES</b>		
Directors' remuneration	83,590	68,543
Establishment	44,991	36,382
Administrative	361,492	260,133
Selling	82,452	64,409
Financial and other charges	49,838	40,023
Depreciation, etc	<u>22,716</u>	<u>14,756</u>
<b>NET PROFIT FOR YEAR</b>	<u>£ 98,455</u>	<u>£339,988</u>