

Registration number 3683003

Rollalong Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2011

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Rollalong Limited
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Rollalong Limited
Company Information

Directors	S E J Compson J D Clarkson I Foulston M Sayers T Woodley J W Newman R J Newman A P Bale
Company secretary	A P Bale
Registered office	Woolsbridge Industrial Estate Three Legged Cross Wimbome Dorset BH21 6SF
Bankers	HSBC Bank PLC
Auditors	BDO LLP Chartered Accountants Emerald House East Street Epsom Surrey KT17 1HS

Rollalong Limited
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

Directors of the company

The directors who held office during the year were as follows

S E J Compson

J D Clarkson

I Foulston

M Sayers

T Woodley

J W Newman

R J Newman

A P Bale

Principal activity

The principal activity of the company is the design, manufacture and installation of high quality modular buildings and portable accommodation

Business review

Fair review of the business

Turnover for the year ended 31 December 2011 was £30.12 million a decrease of 15% compared to the previous year. The operating profit before taxation amounted to £3.0 million (2010 £1.9m). The directors do not recommend the payment of a dividend.

The company has delivered a number of high quality accommodation units to military sites across the South of England under a defence contract, together with a number of other projects. The new building systems have and continue to be successful with greater efficiencies and profitability being achieved.

The company's key financial and other performance indicators during the year were as follows

	2011	2010
Sales £'000	30,120	35,452
Gross Profit %	16	15
Inventory £'000	1,775	627
Absenteeism %	2	2

Rollalong Limited
Directors' Report for the Year Ended 31 December 2011

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Principal risks and uncertainties

The company uses financial instruments, other than derivatives, comprising overdrafts, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main risks arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The company finances its operation through a mixture of retained profits, bank overdraft and borrowing from group companies. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. Short term flexibility is achieved by overdraft facilities. Debt is structured so repayments can be made out of cash generated through operations.

Financial instruments

Objectives and policies

The company uses financial instruments, other than derivatives, comprising overdrafts, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main risks arising from the company's financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

The company finances its operation through a mixture of retained profits, bank overdraft and borrowing from group companies. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Price risk, credit risk, liquidity risk and cash flow risk

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. Short term flexibility is achieved by overdraft facilities. Debt is structured so repayments can be made out of cash generated through operations.

Future developments

Despite the challenging trading and economic conditions, the company expects to maintain the business at current levels in 2012 but is also looking for additional opportunities.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.


Rollalong Limited
Directors' Report for the Year Ended 31 December 2011

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Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of BDO LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting

Approved by the Board on 23 March 2012 and signed on its behalf by


A.P. Bale
Company secretary

Rollalong Limited
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 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, and
- 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.

Independent Auditor's Report to the Members of Rollalong Limited

We have audited the financial statements of Rollalong Limited for the year ended 31 December 2011, set out on pages 8 to 26. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), 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

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/private.cfm.

Opinion on the 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 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 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.

**Independent Auditor's Report to the Members of
Rollalong Limited**

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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

BDO LLP

Mr Kevin Cook (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

Chartered Accountants
Emerald House
East Street
Epsom
Surrey
KT17 1HS

23 March 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Rollalong Limited
Profit and Loss Account for the Year Ended 31 December 2011

	Note	2011 £ 000	2010 £ 000
Turnover	2	30,120	35,452
Cost of sales		<u>(25,349)</u>	<u>(30,203)</u>
Gross profit		4,771	5,249
Distribution costs		-	(1)
Administrative expenses		(2,842)	(3,484)
Profit on disposal of fixed asset		-	2
Other operating income		<u>112</u>	<u>129</u>
Operating profit	3	2,041	1,895
Income from shares in group undertakings		1,000	-
Interest payable and similar charges	6	<u>(12)</u>	<u>-</u>
Profit on ordinary activities before taxation		3,029	1,895
Tax on profit on ordinary activities	7	<u>(579)</u>	<u>(457)</u>
Profit for the financial year	15	<u>2,450</u>	<u>1,438</u>

Turnover and operating profit derive wholly from continuing operations

Rollalong Limited
Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2011

	Note	2011 £ 000	2010 £ 000
Profit for the financial year		2,450	1,438
Actuarial gain recognised on defined benefit pension scheme, Including Pension surplus cap		-	664
Deferred tax on actuarial gain/loss recognised on defined benefit pension scheme		-	(221)
Total recognised gains and losses relating to the year		<u>2,450</u>	<u>1,881</u>

Rollalong Limited
(Registration number: 3683003)
Balance Sheet at 31 December 2011

	Note	2011 £ 000	2010 £ 000
Fixed assets			
Tangible fixed assets	9	<u>253</u>	<u>237</u>
Current assets			
Stocks	11	1,775	627
Debtors	12	16,258	14,026
Cash at bank and in hand		<u>320</u>	<u>368</u>
		18,353	15,021
Creditors Amounts falling due within one year	13	<u>(12,266)</u>	<u>(11,368)</u>
Net current assets		<u>6,087</u>	<u>3,653</u>
Net assets		<u>6,340</u>	<u>3,890</u>
Capital and reserves			
Called up share capital	14	5,525	5,525
Profit and loss account	15	<u>815</u>	<u>(1,635)</u>
Shareholders' funds	16	<u>6,340</u>	<u>3,890</u>

Approved by the Board on 23 March 2012 and signed on its behalf by



J W Newman
Director



R J Newman
Director

Rollalong Limited
Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

Basis of preparation

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

The Directors have acknowledged the latest guidance on going concern and have formed a judgement at the time of approving the financial statements, having made all relevant enquiries that the company has adequate resources at its disposal to continue its operations for the foreseeable future

The principal accounting policies of the company are set out below and remain unchanged from the previous year

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group

Exemption from preparing group accounts

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House

The company is a wholly owned subsidiary of Newship Limited and the cash flows of the company are included in the consolidated group cash flow statement of Newship Limited. Consequently the company is exempt under the terms of Financial Reporting Standard 1 (revised 1996) from publishing a cash flow statement

These accounts present information in regard of the individual undertaking only, and do not include information on its subsidiary

Turnover

Turnover is the total amount receivable for goods supplied and services provided, excluding VAT and trade discounts

Turnover on construction projects is recognised at key stages throughout the production and installation process. This is standard practice in the construction sector. At each stage of recognition the work is independently verified by the customer's surveyor

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Amortisation

Goodwill is amortised over the expected useful economic life of the asset

Asset class
Goodwill

Amortisation method and rate
straight line over the expected useful life of the asset

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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Depreciation

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

Asset class	Depreciation method and rate
Plant and equipment	5 - 10 years
Leasehold improvements	The period of the lease
Motor vehicles	4 years
IT equipment and software	3 years
Office furniture and equipment	3 years

Research and development

Research and development expenditure is charged to profits in the period in which it is incurred. Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected sales arising from the projects. All other development costs are written off in the year of expenditure.

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Long term contracts

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long-term contracts are included in stock to the extent that they cannot be matched with contract work accounted for as turnover. Long-term contract balances included in stocks are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date. The deferred tax balance is not discounted.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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Hire purchase and leasing

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Dividends and distributions relating to equity instruments are debited direct to equity.

Pensions

The company operates both a money purchase and a defined benefit pension scheme. The costs of the money purchase scheme are charged to the income and expenditure account as incurred. The costs of the defined benefit pension scheme are accounted for in accordance with FRS17. The full service cost of providing the defined benefit scheme, together with the cost of any benefits relating to past service, is charged to the profit and loss account. A charge equal to the expected increase in the present value of the scheme liabilities (because the benefits are now closer to settlement) and a credit equal to the equivalent value of the long-term expected return on the defined benefit scheme's assets (based on the market value of those assets at the start of the period), are included in the profit and loss account as 'other finance income'. The difference between the market value of the assets of the scheme and the present value of accrued pension liabilities is shown as a net liability on the balance sheet. Any difference between the expected return on assets and that actually achieved is recognised in the statement of total gains and losses, along with differences which arise from experience or assumption changes.

2 Turnover

An analysis of turnover by class of business and geographic area is given below

	2011	2010
	£ 000	£ 000
Building - United Kingdom	30,120	35,452
	<u>30,120</u>	<u>35,452</u>

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

3 Operating profit

Operating profit is stated after charging

	2011 £ 000	2010 £ 000
Auditor's remuneration	26	24
Foreign currency (gains)/losses	(6)	17
Profit on sale of tangible fixed assets	-	(2)
Depreciation of owned assets	99	432
Research and development	1	89
Operating leases - other	450	450
Operating leases - plant and machinery	180	166

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2011 No.	2010 No.
Administration and support	17	15
Production	101	106
	118	121

The aggregate payroll costs were as follows

	2011 £ 000	2010 £ 000
Wages and salaries	3,734	4,011
Social security costs	415	367
Staff pensions	332	447
	4,481	4,825

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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5 Directors' remuneration

The directors' remuneration for the year was as follows

	2011 £ 000	2010 £ 000
Remuneration (including benefits in kind)	483	457

During the year the number of directors who were receiving benefits was as follows

	2011 No.	2010 No.
Accruing benefits under defined benefit pension scheme	-	1
Accruing benefits under money purchase pension scheme	3	2

In respect of the highest paid director

	2011 £ 000	2010 £ 000
Remuneration	175	171
Company contributions to money purchase pension schemes	8	8

6 Interest payable and similar charges

	2011 £ 000	2010 £ 000
Interest on bank borrowings	12	-
	12	-

7 Taxation

Tax on profit on ordinary activities

	2011 £ 000	2010 £ 000
Current tax		
Corporation tax charge	535	287
Deferred tax		
Origination and reversal of timing differences	44	170
Total tax on profit on ordinary activities	579	457

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26% (2010 - 28%)

The differences are reconciled below

	2011 £ 000	2010 £ 000
Profit on ordinary activities before taxation	3,029	1,895
Corporation tax at standard rate	788	531
Deprecation in excess of capital allowances	(42)	(16)
Other timing differences	(27)	(37)
Losses brought forward	-	(195)
Increase in general provisions	64	-
Difference between Headline rate and rate chargeable	10	-
Expenses not deductible for tax purposes	(258)	4
Total current tax	535	287

8 Intangible fixed assets

	Goodwill £ 000	Total £ 000
Cost		
At 1 January 2011	84	84
At 31 December 2011	84	84
Amortisation		
At 1 January 2011	84	84
At 31 December 2011	84	84
Net book value		
At 31 December 2011	-	-
At 31 December 2010	-	-

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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9 Tangible fixed assets

	Plant and machinery £ 000	Leasehold improvements £ 000	Total £ 000
Cost or valuation			
At 1 January 2011	2,066	363	2,429
Additions	115	-	115
Disposals	(1)	-	(1)
At 31 December 2011	2,180	363	2,543
Depreciation			
At 1 January 2011	1,845	347	2,192
Charge for the year	92	7	99
Eliminated on disposals	(1)	-	(1)
At 31 December 2011	1,936	354	2,290
Net book value			
At 31 December 2011	244	9	253
At 31 December 2010	221	16	237

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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10 Investments held as fixed assets

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Subsidiary undertakings	Proportion of voting rights and shares held	Principal activity
Rollalong Properties Limited	100%	Hire of temporary buildings

11 Stocks

	2011 £ 000	2010 £ 000
Raw materials	89	139
Work in progress	1,686	485
Finished goods	-	3
	<u>1,775</u>	<u>627</u>

12 Debtors

	2011 £ 000	2010 £ 000
Trade debtors	3,601	2,217
Amounts recoverable on long term contracts	1,501	2,329
Amounts owed by group undertakings	10,602	8,883
Other debtors	1	-
Prepayments and accrued income	334	334
Deferred tax	<u>219</u>	<u>263</u>
	<u>16,258</u>	<u>14,026</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows

	£ 000
At 1 January 2011	263
Deferred tax charged to the profit and loss account	<u>(44)</u>
At 31 December 2011	<u>219</u>

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

Analysis of deferred tax

	2011 £ 000	2010 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	219	263
	<u>219</u>	<u>263</u>

13 Creditors. Amounts falling due within one year

	2011 £ 000	2010 £ 000
Trade creditors	6,761	7,515
Payment on account of long term contracts	214	513
Amounts owed to group undertakings	630	452
Other taxes and social security	1,223	935
Accruals and deferred income	3,438	1,936
Other creditors	-	17
	<u>12,266</u>	<u>11,368</u>

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

14 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>5,525</u>	<u>5,525</u>	<u>5,525</u>	<u>5,525</u>

15 Reserves

	Profit and loss account £ 000	Total £ 000
At 1 January 2011	(1,635)	(1,635)
Profit for the year	<u>2,450</u>	<u>2,450</u>
At 31 December 2011	<u>815</u>	<u>815</u>

16 Reconciliation of movement in shareholders' funds

	2011 £ 000	2010 £ 000
Profit attributable to the members of the company	2,450	1,438
Other recognised gains and losses relating to the year	<u>-</u>	<u>443</u>
Net addition to shareholders' funds	2,450	1,881
Shareholders' funds at 1 January	<u>3,890</u>	<u>2,009</u>
Shareholders' funds at 31 December	<u>6,340</u>	<u>3,890</u>

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £76,000 (2010 - £106,000). Contributions totalling £nil (2010 - £17,000) were payable to the scheme at the end of the year and are included in creditors.

Defined benefit pension schemes

Rollalong pension scheme

The company operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 May 2010 and updated to 31 December 2011 by a qualified independent actuary.

Contributions payable to the pension scheme at the end of the year are £nil (2010 - £nil).

The total contributions in the next year are expected to be £47,000.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	2011 £ 000	2010 £ 000
Fair value of scheme assets	7,974	8,402
Present value of scheme liabilities	(6,596)	(8,009)
	1,378	393
Amounts not recognised as an asset under FRS 17 paragraph 41	(1,020)	(283)
Other amounts recognised in the balance sheet	(358)	(110)
Net asset/(liability) in the balance sheet	-	-

Scheme assets

Changes in the fair value of scheme assets are as follows:

	2011 £ 000	2010 £ 000
Fair value at start of year	8,402	7,201
Expected return on assets	468	456
Actuarial gains and losses	51	677
Employer contributions	200	242
Contributions by scheme participants	-	10
Benefits paid	(1,147)	(184)
Fair value at end of year	7,974	8,402

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

Analysis of assets

The major categories of scheme assets as a percentage of total scheme assets are as follows

	2011 %	2010 %
Equity instruments	42 00	52 00
Debt instruments	57 00	46 00
Cash	1 00	2 00

Actual return on scheme's assets

	2011 £ 000	2010 £ 000
Actual return on scheme assets	519	1,099

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company

To develop the expected long term rate of return assumption, the Company considered the level of expected returns on risk free investments (primarily Government bonds), the historic level of risk premiums associated with other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the actual asset allocation to develop the expected long term rate of return assumption for the portfolio. This resulted in the selection of an average assumption of 5.49% for the year to 31 December 2011.

Scheme liabilities

Changes in the present value of scheme liabilities are as follows

	2011 £ 000	2010 £ 000
Present value at start of year	8,009	7,816
Current service cost	-	30
Actuarial gains and losses	(675)	(114)
Interest cost	409	451
Benefits paid	(1,147)	(184)
Contributions by scheme participants	-	10
Present value at end of year	6,596	8,009
Analysed as:		
Present value arising from wholly or partly funded schemes	6,596	8,009

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date are as follows

	2011 %	2010 %
Discount rate	5.20	5.50
Future salary increases	2.75	3.50
Future pension increases	2.75	3.50
Inflation	2.75	3.50
Expected return on scheme assets - equity	6.70	6.70
Expected return on scheme assets - cash	2.60	3.70
Expected return on scheme assets - other	4.50	5.00

Post retirement mortality assumptions

	2011 Years	2010 Years
Current pensioners at retirement age - male	22.00	22.00
Current pensioners at retirement age - female	24.00	24.00
Future pensioners at retirement age - male	23.00	23.00
Future pensioners at retirement age - female	26.00	26.00

Amounts recognised in the profit and loss account

	2011 £ 000	2010 £ 000
Amounts recognised in operating profit		
Current service cost	-	(30)
Recognised in arriving at operating profit	-	(30)
Amounts recognised in other finance cost		
Interest income	(409)	(451)
Expected return on scheme assets	409	456
Recognised in other finance cost	-	5
Total recognised in the profit and loss account	-	(25)

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

Amounts recognised in the statement of total recognised gains and losses

	2011	2010
	£ 000	£ 000
Actual return less expected return on scheme assets	726	791
Deferred tax on actuarial gain	-	(221)
Effect of FRS 17 paragraph 41 surplus cap	(726)	(127)
Actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses	<u>-</u>	<u>443</u>

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

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The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) since 1 January 2002 is (£993,000) (2010 - (£993,000))

History of experience adjustments on scheme assets and liabilities

Amounts for the current and previous 4 periods are as follows

	2011 £ 000	2010 £ 000	2009 £ 000	2008 £ 000	2007 £ 000
Fair value of scheme assets	7,974	8,402	7,201	6,222	7,217
Present value of scheme liabilities	(6,596)	(8,009)	(7,816)	(6,169)	(6,731)
Surplus/(deficit) in scheme	<u>1,378</u>	<u>393</u>	<u>(615)</u>	<u>53</u>	<u>486</u>
Experience adjustments					
	2011 £ 000	2010 £ 000	2009 £ 000	2008 £ 000	2007 £ 000
Experience adjustments arising on scheme assets	<u>51</u>	<u>677</u>	<u>714</u>	<u>(1,407)</u>	<u>(68)</u>
Experience adjustments arising on scheme liabilities	<u>(91)</u>	<u>378</u>	<u>95</u>	<u>6</u>	<u>276</u>

Comparative figures have not been restated as permitted by FRS 17

18 Contingent liabilities

Guarantee given in the normal course of business The amount guaranteed is £100,000 (2010 - £100,000)

19 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2010 - £nil)

Rollalong Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

Operating lease commitments

As at 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2011 £ 000	2010 £ 000
Land and buildings		
Within two and five years	<u>450</u>	<u>450</u>
Other		
Within one year	59	8
Within two and five years	<u>66</u>	<u>104</u>
	<u>125</u>	<u>112</u>

20 Related party transactions

During the year the company, in the ordinary course of business, sold and purchased goods and services to and from non-group companies under the control of J W Newman valued at an aggregate amount of £79,000 (2010 £ nil) and £180,000 (2010 £177,000) respectively The net balance due from such companies at 31 December 2011 was £ nil (2010 £ nil) Such supplies were made on normal credit terms

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

21 Control

Rollalong Holdings Limited is the company's controlling related party by virtue of its 100% interest in the company

The company's ultimate controlling related party is J W Newman by virtue of his majority shareholding in Newship Limited, which is registered in England and Wales

Copies of Newship Limited financial statements can be obtained from the registered office at Fernside Place, 179 Queens Road, Weybridge, Surrey KT13 0AH

