

WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP FINANCIAL STATEMENTS
31 MAY 2010



MUIR & ADDY
Chartered Accountants & Statutory Auditor
Muir Building
427 Hollywood Road
Belfast
BT4 2LT

WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2010

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditor's report to the shareholders	4 to 5
Group profit and loss account	6
Group balance sheet	7
Balance sheet	8
Group cash flow statement	9
Notes to the group financial statements	10 to 21

WILLIAMS INDUSTRIAL SERVICES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J Toner
R Adamson
S Black
J Bell
G Caves
T Picking

Company secretary

R Adamson

Registered office

Units 5 & 7
Hydepark Commercial Centre
10 Hyde Park Road
Mallusk
BT36 4PY

Auditor

Muir & Addy
Chartered Accountants
& Statutory Auditor
Muir Building
427 Holywood Road
Belfast
BT4 2LT

Bankers

First Trust Bank
322 Antrim Road
Glengormley
BT36 5EQ

WILLIAMS INDUSTRIAL SERVICES LIMITED

THE DIRECTORS REPORT

YEAR ENDED 31 MAY 2010

The directors have pleasure in presenting their report and the group financial statements of the group for the year ended 31 May 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group is the design manufacture and installation of process control and environmental systems and the provision of labour facilities to the industrial services sector

The directors report a decrease in gross profit of £899 155 to £3 098 080 in the current financial period The retained profit for the period was £150 085 which was added to retained reserves brought forward of £2 676 246 to give a carried forward balance of £2 826 331

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £150 085 The directors have not recommended a dividend

THE DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	Class of share	At 31 May 2010	At 1 June 2009
J Toner	Ordinary A Shares	70 000	70 000
R Adamson	Ordinary A Shares	70 000	70 000
S Black	Ordinary B Shares	8 750	8 750
J Bell	Ordinary B Shares	8 750	8 750
G Caves	Ordinary B Shares	8 750	8 750
T Picking	Ordinary B Shares	8 750	8 750

DIRECTORS RESPONSIBILITIES

The directors are responsible for preparing the Directors Report and the group financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare group financial statements for each financial year Under that law the directors have elected to prepare the group 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 group financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year In preparing those group financial statements the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the group financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

WILLIAMS INDUSTRIAL SERVICES LIMITED

THE DIRECTORS REPORT *(continued)*

YEAR ENDED 31 MAY 2010

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

there is no relevant audit information of which the group'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.

AUDITOR

Muir & Addy are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Units 5 & 7
Hydepark Commercial Centre
10 Hyde Park Road
Mallusk
BT36 4PY

Signed by order of the directors



R. ADAMSON
Company Secretary

Approved by the directors on 20 October 2010

WILLIAMS INDUSTRIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WILLIAMS INDUSTRIAL SERVICES LIMITED



YEAR ENDED 31 MAY 2010

We have audited the group and parent company group financial statements (the group financial statements) of Williams Industrial Services Limited for the year ended 31 May 2010. 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 Section 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 2 to 3, the directors are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the group 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 Boards (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE GROUP FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the group financial statements sufficient to give reasonable assurance that the group 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 groups and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the group financial statements.

OPINION ON GROUP FINANCIAL STATEMENTS

In our opinion the group financial statements

give a true and fair view of the state of the groups and parent company's affairs as at 31 May 2010 and of the groups 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 group financial statements are prepared is consistent with the group financial statements.

WILLIAMS INDUSTRIAL SERVICES LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WILLIAMS INDUSTRIAL SERVICES LIMITED (*continued*)**

YEAR ENDED 31 MAY 2010



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 by the parent company or returns adequate for our audit have not been received from branches not visited by us or

the parent company group 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

John Beacom

JOHN BEACOM (Senior Statutory Auditor)

For and on behalf of

MUIR & ADDY

Chartered Accountants

& Statutory Auditor

Muir Building
427 Hollywood Road
Belfast
BT4 2LT

20 October 2010

WILLIAMS INDUSTRIAL SERVICES LIMITED

GROUP PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MAY 2010

	Note	2010 £	2009 £
GROUP TURNOVER	2	25 090 921	31 459 809
Cost of sales		<u>21 992 841</u>	<u>27 472 574</u>
GROSS PROFIT		3 098,080	3 987 235
Administrative expenses		3 169 693	3 704 189
Other operating income	3	<u>(127 739)</u>	<u>(32 697)</u>
OPERATING PROFIT	4	56 126	315 743
Loss on disposal of investments	7	<u>(100)</u>	<u>—</u>
		56 026	315 743
Interest receivable		134 924	189 119
Interest payable and similar charges	8	<u>(8 412)</u>	<u>(21 675)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		182 538	483 187
Tax on profit on ordinary activities	9	32 453	137 345
PROFIT FOR THE FINANCIAL YEAR	10	<u>150 085</u>	<u>345 842</u>

All of the activities of the group are classed as continuing

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

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 10 to 21 form part of these group financial statements

WILLIAMS INDUSTRIAL SERVICES LIMITED


GROUP BALANCE SHEET

31 MAY 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	11	274 110	329 741
Tangible assets	12	<u>1 082,750</u>	<u>638 769</u>
		<u>1 356 860</u>	<u>968 510</u>
CURRENT ASSETS			
Stocks	14	1 664 677	848 583
Debtors	15	4 050 979	4 316 249
Cash at bank and in hand		<u>5 030,418</u>	<u>5 549 953</u>
		<u>10,746 074</u>	<u>10 714 785</u>
CREDITORS Amounts falling due within one year	16	<u>8 833 031</u>	<u>8 476 982</u>
NET CURRENT ASSETS		<u>1 913 043</u>	<u>2 237 803</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3 269 903</u>	<u>3 206 313</u>
CREDITORS Amounts falling due after more than one year	17	<u>268 572</u>	<u>355 067</u>
		<u>3 001 331</u>	<u>2 851 246</u>
CAPITAL AND RESERVES			
Called up equity share capital	21	175 000	175 000
Profit and loss account	22	<u>2 826 331</u>	<u>2 676 246</u>
SHAREHOLDERS FUNDS	23	<u>3 001,331</u>	<u>2 851 246</u>

These group financial statements were approved by the directors and authorised for issue on 20 October 2010 and are signed on their behalf by


John Toner
Director


Robert Adamson
Director

The notes on pages 10 to 21 form part of these group financial statements

WILLIAMS INDUSTRIAL SERVICES LIMITED

BALANCE SHEET

31 MAY 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	11	35,300	42,360
Tangible assets	12	1,011,073	574,265
Investments	13	1	101
		<u>1,046,374</u>	<u>616,726</u>
CURRENT ASSETS			
Stocks	14	1,586,541	804,994
Debtors	15	3,973,041	4,283,263
Cash at bank and in hand		5,030,418	5,503,078
		<u>10,590,000</u>	<u>10,591,335</u>
CREDITORS Amounts falling due within one year	16	<u>8,694,295</u>	<u>8,399,848</u>
NET CURRENT ASSETS		<u>1,895,705</u>	<u>2,191,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,942,079</u>	<u>2,808,213</u>
CAPITAL AND RESERVES			
Called up equity share capital	21	175,000	175,000
Profit and loss account	22	2,767,079	2,633,213
SHAREHOLDERS FUNDS		<u>2,942,079</u>	<u>2,808,213</u>

These group financial statements were approved by the directors and authorised for issue on 20 October 2010 and are signed on their behalf by



John Toner
Director



Robert Adamson
Director

Company Registration Number NI028974

WILLIAMS INDUSTRIAL SERVICES LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 MAY 2010

	Note	2010 £	2009 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	24	965 621	44 736
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	24	126 512	159 378
TAXATION	24	(135 848)	(155 292)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	24	(863 769)	(688 053)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		<u>92 516</u>	<u>(639 231)</u>
FINANCING	24	(81 495)	430 067
INCREASE/(DECREASE) IN CASH	24	<u>11 021</u>	<u>(209 164)</u>

The notes on pages 10 to 21 form part of these group financial statements

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The group financial statements have been prepared under the historical cost convention

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted where appropriate to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off. The results of companies acquired or disposed of are included in the group profit and loss account after of up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

1.3 Turnover

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

1.4 Goodwill

Goodwill on acquisitions is written off in equal annual instalments over a period determined by the Directors. The goodwill in relation to Williams Industrial Services Limited is being written off over 20 years. The goodwill in relation to TOT Technical (NI) Limited is being written off over 7 years.

1.5 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:

Goodwill	Written off in equal annual instalments as above
----------	--

1.6 Fixed assets investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.7 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:

Plant & Machinery	25% Straight Line
Fixtures, Fittings & Equipment	25% Written Down Value
Motor Vehicles	25% Written Down Value
Office Equipment	25% Straight Line

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2010

1 ACCOUNTING POLICIES *(continued)*

1 8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items

1 9 Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1 10 Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the group profit and loss account.

1 11 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.

1 12 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

1 ACCOUNTING POLICIES *(continued)*

1.13 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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. 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.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability, then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2 TURNOVER

The total turnover of the company for the year has been derived from its principle activity wholly undertaken in the UK.

3 OTHER OPERATING INCOME

	2010	2009
	£	£
Sundry income	13,263	4,157
Other operating income	114,476	28,540
	<u>127,739</u>	<u>32,697</u>

4 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2010	2009
	£	£
Amortisation of intangible assets	55,631	59,679
Depreciation of owned fixed assets	409,113	244,030
Loss on disposal of fixed assets	10,675	28,961
Auditor's remuneration		
as auditor	13,550	12,400
Net profit on foreign currency translation	<u>(9)</u>	<u>-</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

5 PARTICULARS OF EMPLOYEES

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

	2010	2009
	No	No
Number of staff	<u>181</u>	<u>188</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	6,314 909	6 638 465
Social security costs	636 466	802 457
Other pension costs	120 247	529 905
	<u>7 071 622</u>	<u>7 970 827</u>

6 DIRECTORS REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2010	2009
	£	£
Remuneration receivable	1 600 863	1 791 343
Value of company pension contributions to money purchase schemes	101 013	513 089
	<u>1,701 876</u>	<u>2 304 432</u>

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

	2010	2009
	No	No
Money purchase schemes	<u>6</u>	<u>6</u>

7 LOSS ON DISPOSAL OF INVESTMENTS

Williams Industrial Services investment of £100 in TTO Limited was written off during the year as TTO Limited was struck off (see Note 13)

8 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Interest payable on bank borrowing	<u>8 412</u>	<u>21 675</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

9 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
UK Corporation tax based on the results for the year at 28% (2009 28%)	31 250	137 345
(Over)/under provision in prior year	1 203	
Total current tax	<u>32 453</u>	<u>137 345</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 28%)

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>182 538</u>	<u>483 187</u>
Profit on ordinary activities by rate of tax	51 111	135 292
Marginal relief	(6 397)	(921)
Capital allowances for period in excess of depreciation	25 685	1 713
Adjustments to tax charge in respect of previous periods	1 203	
Adjustment for items not deductible for tax purposes	7 441	3 866
Adjustment for group companies		(2 605)
Sundry tax adjusting items	<u>(46 590)</u>	
Total current tax (note 9(a))	<u>32 453</u>	<u>137 345</u>

10 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the group financial statements of the parent company was £133 866 (2009 £303 109)

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

11 INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 June 2009 and 31 May 2010	<u>481 200</u>
AMORTISATION	
At 1 June 2009	151 459
Charge for the year	<u>55,631</u>
At 31 May 2010	<u>207 090</u>
NET BOOK VALUE	
At 31 May 2010	<u>274 110</u>
At 31 May 2009	<u>329 741</u>
Company	Goodwill £
COST	
At 1 June 2009 and 31 May 2010	<u>141 200</u>
AMORTISATION	
At 1 June 2009	98 840
Charge for the year	<u>7 060</u>
At 31 May 2010	<u>105 900</u>
NET BOOK VALUE	
At 31 May 2010	<u>35 300</u>
At 31 May 2009	<u>42 360</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

12 TANGIBLE FIXED ASSETS

Group	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office equipment £	Total £
COST					
At 1 June 2009	970 684	88 895	657,289	225 870	1 942 738
Additions	786 146	2 981	84 492	–	873,619
Disposals	–	–	(54 716)	–	(54 716)
At 31 May 2010	1 756 830	91 876	687 065	225,870	2,761 641
DEPRECIATION					
At 1 June 2009	793 924	48 313	264 131	197 601	1 303 969
Charge for the year	271 152	10 891	113 965	13 105	409 113
On disposals	–	–	(34 191)	–	(34 191)
At 31 May 2010	1 065 076	59 204	343 905	210 706	1 678 891
NET BOOK VALUE					
At 31 May 2010	691 754	32 672	343 160	15 164	1,082 750
At 31 May 2009	176 760	40 582	393 158	28 269	638 769
Company	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office equipment £	Total £
COST					
At 1 June 2009	911 305	78 462	638 639	225 870	1 854 276
Additions	765 626	2 981	77 642	–	846 249
Disposals	–	–	(53 716)	–	(53 716)
At 31 May 2010	1 676 931	81 443	662 565	225 870	2,646 809
DEPRECIATION					
At 1 June 2009	777 842	45 488	259 080	197 601	1,280 011
Charge for the year	258 198	8 989	109 353	13 105	389 645
On disposals	–	–	(33 920)	–	(33 920)
At 31 May 2010	1 036 040	54 477	334 513	210 706	1,635 736
NET BOOK VALUE					
At 31 May 2010	640 891	26 966	328 052	15 164	1,011 073
At 31 May 2009	133 463	32 974	379 559	28 269	574 265

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

13 INVESTMENTS

Company	Group companies £
COST	
At 1 June 2009	101
Disposals	(100)
At 31 May 2010	<u>1</u>
NET BOOK VALUE	
At 31 May 2010	<u>1</u>
At 31 May 2009	<u>101</u>

The company owns 100% of the issued share capital of the following company

Tot Technical (NI) Limited

Country of incorporation	Northern Ireland
Shares held	1 Ordinary £1 share
Proportion of nominal value shares held	100%
Principal activities	Engineering

	2010 £	2009 £
Aggregate capital and reserves		
Tot Technical (NI) Limited	59 253	42 734
Profit for the year		
Tot Technical (NI) Limited	16 519	42 733

14 STOCKS

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Stock	112 342	132 632	34 206	89 043
Work in progress	1 552 335	715 951	1 552 335	715 951
	<u>1 664 677</u>	<u>848 583</u>	<u>1 586 541</u>	<u>804 994</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

15 DEBTORS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	3,785,739	4 245 100	3 716 015	4 233 020
Other debtors	8 588	10 327	8 588	10 327
Prepayments and accrued income	256 652	60 822	248,438	39 916
	<u>4 050,979</u>	<u>4 316 249</u>	<u>3 973 041</u>	<u>4 283 263</u>

Specific provision is made for all known debts which are deemed irrecoverable

16 CREDITORS Amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts	2 747 202	3 272 758	2 640,764	3 198 158
Trade creditors	2 842 006	3 386 899	2 833 381	3 430 719
Corporation tax	31 250	134 645	31,250	121 645
Other taxation and social security	685 324	717 822	667,969	693 274
Accruals and deferred income	2 527 249	964 858	2 520 931	956 052
	<u>8 833 031</u>	<u>8 476 982</u>	<u>8 694 295</u>	<u>8 399 848</u>

17 CREDITORS Amounts falling due after more than one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans	<u>268 572</u>	<u>355 067</u>	<u>—</u>	<u>—</u>

18 CONTINGENCIES

	2010	2009
	£	£
Contingent liabilities which are not expected to give rise to any material loss include		
Indemnity in respect of Pavplan facility	<u>200 000</u>	<u>200 000</u>

19 SECURITY

There exists

- (i) a mortgage debenture incorporating a fixed and floating charge over all company assets
- (ii) a letter of authority and indemnity relating to BACS payplan
- (iii) life cover of £100 000 each on the lives of two directors

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

20 RELATED PARTY TRANSACTIONS

(a) With Tot Technical (NI) Limited 100% owned subsidiary

At the year end the company owed Tot Technical (NI) Limited an amount of £199 711 (2009 £198 321). This amount is included within the trade creditors total and relates to purchases during the year totalling £832 930 (2009 £995 549) made by the company from its subsidiary company on normal commercial terms.

(b) With a pension scheme for the benefit of two directors

The company occupies properties and pays rent at the deemed market rate on two properties which are owned by a pension scheme for the benefit of two directors. During the year rent of £77 000 (2009 £77 000) was paid in respect of this.

21 SHARE CAPITAL

Authorised share capital

	2010 £	2009 £
450 000 Ordinary A shares shares of £1 each	450,000	450 000
50 000 Ordinary B shares shares of £1 each	50 000	50 000
	<u>500 000</u>	<u>500 000</u>

Allotted and called up

	2010		2009	
	No	£	No	£
140 000 Ordinary A shares shares fully paid of £1 each	140 000	140 000	140 000	140 000
35 000 Ordinary B shares shares fully paid of £1 each	35 000	35 000	35 000	35 000
	<u>175 000</u>	<u>175 000</u>	<u>175 000</u>	<u>175 000</u>

22 RESERVES

Group	Profit and loss account £
Balance brought forward	2 676 246
Profit for the year	150 085
Balance carried forward	<u>2 826 331</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

22 RESERVES *(continued)*

Company	Profit and loss account £
Balance brought forward	2 633,213
Profit for the year	133 866
Balance carried forward	<u>2 767 079</u>

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	2010 £	2009 £
Profit for the financial year	150 085	345 842
Opening shareholders funds	<u>2 851 246</u>	<u>2 505 404</u>
Closing shareholders funds	<u>3 001,331</u>	<u>2 851 246</u>

24 NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	56 126	315 743
Interest payable	—	8 066
Amortisation	55 631	59 679
Depreciation	409 113	244 030
Loss on disposal of fixed assets	10 675	28 961
(Increase)/decrease in stocks	(816 094)	1 316 292
Decrease in debtors	265 270	618 785
Increase/(decrease) in creditors	985 000	(2 546 820)
Loss on disposal of investments	(100)	—
Net cash inflow from operating activities	<u>965,621</u>	<u>44 736</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2010 £	2009 £
Interest received	134 924	189 119
Interest paid	<u>(8,412)</u>	<u>(29 741)</u>
Net cash inflow from returns on investments and servicing of finance	<u>126 512</u>	<u>159 378</u>

TAXATION

	2010 £	2009 £
Taxation	<u>(135 848)</u>	<u>(155 292)</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2010

24 NOTES TO THE CASH FLOW STATEMENT *(continued)*

CAPITAL EXPENDITURE

	2010 £	2009 £
Payments to acquire intangible fixed assets	–	(340 000)
Payments to acquire tangible fixed assets	(873,619)	(408 813)
Receipts from sale of fixed assets	9 850	60 760
Net cash outflow from capital expenditure	<u>(863 769)</u>	<u>(688 053)</u>

FINANCING

	2010 £	2009 £
(Repayment of)/increase in bank loans	<u>(81 495)</u>	<u>430 067</u>
Net cash (outflow)/inflow from financing	<u>(81 495)</u>	<u>430 067</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2010 £	2009 £
Increase/(decrease) in cash in the period	11 021	(209 164)
Net cash outflow from/(inflow) from bank loans	<u>81 495</u>	<u>(430 067)</u>
	<u>92 516</u>	<u>(639 231)</u>
Change in net funds	92 516	(639 231)
Net funds at 1 June 2009	<u>1 922 128</u>	<u>2 561 359</u>
Net funds at 31 May 2010	<u>2 014 644</u>	<u>1 922 128</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jun 2009 £	Cash flows £	At 31 May 2010 £
Net cash			
Cash in hand and at bank	5 549 953	(519 535)	5,030 418
Overdrafts	<u>(3 197,758)</u>	<u>530 556</u>	<u>(2 667 202)</u>
	<u>2 352 195</u>	<u>11 021</u>	<u>2 363 216</u>
Debt			
Debt due within 1 year	(75 000)	(5 000)	(80 000)
Debt due after 1 year	<u>(355 067)</u>	<u>86 495</u>	<u>(268 572)</u>
	<u>(430 067)</u>	<u>81 495</u>	<u>(348 572)</u>
Net funds	<u>1 922 128</u>	<u>92 516</u>	<u>2 014 644</u>