

Registered number: 00970746

R G EVANS HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011

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R G EVANS HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

M W Evans
A C Evans
G J Evans

COMPANY NUMBER

00970746

REGISTERED OFFICE

Unit 5, Jacksons Industrial Estate
Wessex Road
Bourne End
Buckinghamshire
SL8 5DT

AUDITORS

Barnes Roffe LLP
Chartered Accountants & Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

R G EVANS HOLDINGS LIMITED

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R G EVANS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2011

The directors present their report and the financial statements for the year ended 31 May 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the group continues to be that of design and management services.

BUSINESS REVIEW

As directors we aim to present a balanced and comprehensive review of the development and performance of the group business during the period and its position at the year end.

We consider that the company's key performance indicators are those that communicate the final performance and strength for the group as a whole, these being gross profit margin and operating profit.

Despite the recession and subsequent reduction in the building trade, the turnover in 2011 increased by approximately 2.6%. However we did experience a reduction in gross profit margin to 15.8% (2010 - 21.9%).

However, overall operating profit for the year has not changed much this year and we did not experience the bad debts suffered in the previous year.

The outlook for the next 12 months is positive with an excellent first six months based on the current order book in the contracting business and the beneficial schemes in the green technology field.

RESULTS

The loss for the year, after taxation, amounted to £18,144 (2010 - loss £42,953).

R G EVANS HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2011**

DIRECTORS

The directors who served during the year were

M W Evans
A C Evans
G J Evans

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

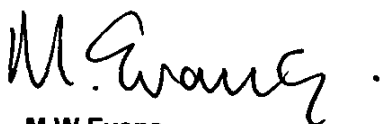
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information

AUDITORS

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 15/2/2012

and signed on its behalf



M W Evans
Director

R G EVANS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF R G EVANS HOLDINGS LIMITED

We have audited the group and parent company financial statements of R G Evans Holdings Limited for the year ended 31 May 2011, set out on pages 5 to 22. 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 Auditors' 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 Directors' responsibilities statement, 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 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 group's and the parent company's affairs as at 31 May 2011 and of the group's loss 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.

R G EVANS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF R G EVANS HOLDINGS LIMITED

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 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

Barnes Roffe W

David Aston
Senior statutory auditor
for and on behalf of
Barnes Roffe LLP
Chartered Accountants
Statutory Auditor
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX
Date *13/11/07*

R G EVANS HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2011**

	Note	2011 £	2010 £
TURNOVER	1,2	8,059,656	7,855,757
Cost of sales		<u>(6,787,403)</u>	<u>(6,134,776)</u>
GROSS PROFIT		1,272,253	1,720,981
Distribution costs		<u>(77,933)</u>	<u>(114,398)</u>
Administrative expenses		<u>(1,212,650)</u>	<u>(1,502,147)</u>
Exceptional administrative expenses		-	<u>(149,588)</u>
Total administrative expenses		<u>(1,212,650)</u>	<u>(1,651,735)</u>
Other operating income	3	<u>9,113</u>	<u>7,527</u>
OPERATING LOSS	4	(9,217)	(37,625)
Interest receivable and similar income		4	1,897
Interest payable and similar charges	7	<u>(2,401)</u>	<u>(2,191)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(11,614)	(37,919)
Tax on loss on ordinary activities	9	<u>(6,530)</u>	<u>(5,034)</u>
LOSS FOR THE FINANCIAL YEAR	19	<u>(18,144)</u>	<u>(42,953)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and Loss account

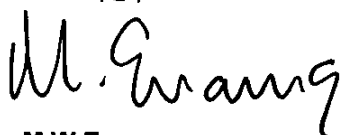
The notes on pages 9 to 22 form part of these financial statements

R G EVANS HOLDINGS LIMITED
REGISTERED NUMBER: 00970746

CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Intangible assets	10		331,752		373,955
Tangible assets	11		342,831		361,621
			<u>674,583</u>		<u>735,576</u>
CURRENT ASSETS					
Stocks	13	26,897		40,288	
Debtors	14	1,709,499		1,249,035	
Cash at bank and in hand		304,271		272,645	
		<u>2,040,667</u>		<u>1,561,968</u>	
CREDITORS: amounts falling due within one year	15	(1,457,343)		(955,361)	
NET CURRENT ASSETS			<u>583,324</u>		<u>606,607</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,257,907</u>		<u>1,342,183</u>
CREDITORS: amounts falling due after more than one year	16		(82,161)		(87,758)
NET ASSETS			<u>1,175,746</u>		<u>1,254,425</u>
CAPITAL AND RESERVES					
Called up share capital	18		75		75
Capital redemption reserve	19		(14,974)		(14,974)
Profit and loss account	19		1,190,638		1,269,317
SHAREHOLDERS' FUNDS	20		<u>1,175,739</u>		<u>1,254,418</u>
MINORITY INTERESTS	22		<u>7</u>		<u>7</u>
			<u>1,175,746</u>		<u>1,254,425</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15/2/2011



M W Evans
Director

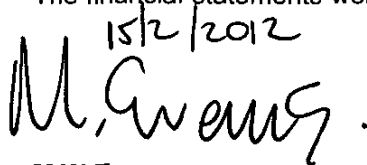
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R G EVANS HOLDINGS LIMITED
REGISTERED NUMBER: 00970746

COMPANY BALANCE SHEET
AS AT 31 MAY 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	11		140,278		149,186
Investments	12		672,340		672,340
			<u>812,618</u>		<u>821,526</u>
CURRENT ASSETS					
Debtors	14	30,860		29,705	
Cash at bank		103,557		71,890	
		<u>134,417</u>		<u>101,595</u>	
CREDITORS , amounts falling due within one year	15	(187,007)		(146,352)	
NET CURRENT LIABILITIES			<u>(52,590)</u>		<u>(44,757)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>760,028</u>		<u>776,769</u>
CREDITORS : amounts falling due after more than one year	16		(82,161)		(87,758)
NET ASSETS			<u>677,867</u>		<u>689,011</u>
CAPITAL AND RESERVES					
Called up share capital	18		75		75
Capital redemption reserve	19		25		25
Profit and loss account	19		677,767		688,911
SHAREHOLDERS' FUNDS	20		<u>677,867</u>		<u>689,011</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15/2/2012


M W Evans
Director

The notes on pages 9 to 22 form part of these financial statements

R G EVANS HOLDINGS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	23	233,753	77,395
Returns on investments and servicing of finance	24	(2,397)	(294)
Taxation		(6,880)	(67,216)
Capital expenditure and financial investment	24	(54,639)	(133,905)
Equity dividends paid		(60,535)	(115,300)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		109,302	(239,320)
Financing	24	(5,597)	95,756
INCREASE/(DECREASE) IN CASH IN THE YEAR		103,705	(143,564)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MAY 2011**

	2011 £	2010 £
Increase/(Decrease) in cash in the year	103,705	(143,564)
Cash outflow from decrease in debt and lease financing	5,597	(95,756)
MOVEMENT IN NET DEBT IN THE YEAR	109,302	(239,320)
Net funds at 1 June 2010	56,898	296,218
NET FUNDS AT 31 MAY 2011	166,200	56,898

The notes on pages 9 to 22 form part of these financial statements

R G EVANS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and on the assumption that the group is a going concern

1.2 Basis of consolidation

The financial statements consolidate the accounts of R G Evans Holdings Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the year are included from the effective date of acquisition

The Ordinary 'B' shares of R G Evans (Plumbing & Heating) Limited carry no voting rights and dividends are only payable at the directors' discretion. They do carry rights to a share of capital on a sale or winding up but as the directors believe there is no evidence of a sale or winding up occurring in the short term the minority interest arising on these shares has been assumed as their normal value

1.3 Turnover

Turnover comprises revenue recognised by the group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

Commission receivable for design contracts is recognised on completion of the design contract. The group has no entitlement to design commission until the contract is completed

Management charges and rents receivable are recognised when service is provided

Long term contracts are included in turnover on the basis of the sales value of work performed during the year by reference to the total sales value and the stage of completion of these contracts

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss account over its estimated economic life of 10 years

R G EVANS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

1. ACCOUNTING POLICIES (continued)

1.5 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 property	-	Not depreciated
Long term leasehold property	-	20% Straight line
Plant and machinery	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance
Fixtures, fittings and equipment	-	15% Reducing balance

The directors believe that the residual value of the freehold building is in excess of the cost and therefore no depreciation has been charged.

Estimation of residual values and useful lives include an estimate of the intensity of which the assets are expected to be used.

The carrying value of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and Loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks

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

R G EVANS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

1. ACCOUNTING POLICIES (continued)

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.10 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to the company's principal activity.

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2011 £	2010 £
Net rents receivable	9,113	7,527

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

4. OPERATING LOSS

The operating loss is stated after charging

	2011	2010
	£	£
Amortisation - intangible fixed assets	42,203	42,203
Depreciation of tangible fixed assets		
- owned by the group	74,697	85,319
Auditors' remuneration	21,250	17,250
Auditors' remuneration - non-audit	33,879	37,268
Operating lease rentals		
- plant and machinery	681	1,653
- other operating leases	-	36,000
Exceptional administrative expenses	-	149,588
	<u><u> </u></u>	<u><u> </u></u>

Auditors fees for the company were £5,250 (2010 - £4,750)

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011	2010
	£	£
Wages and salaries	1,536,152	1,700,961
Social security costs	185,128	242,457
Other pension costs	18,285	63,481
	<u><u>1,739,565</u></u>	<u><u>2,006,899</u></u>

The average monthly number of employees, including the directors, during the year was as follows

	2011	2010
	No.	No
Directors	3	3
Employees	54	55
	<u><u>57</u></u>	<u><u>58</u></u>

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

6. DIRECTORS' REMUNERATION

	2011	2010
	£	£
Emoluments	179,357	228,085
Company pension contributions to defined contribution pension schemes	-	12,395

During the year retirement benefits were accruing to no directors (2010 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £72,607 (2010 - £88,597)

7 INTEREST PAYABLE

	2011	2010
	£	£
On bank loans and overdrafts	2,401	2,191

8 EXCEPTIONAL ITEMS

	2011	2010
	£	£
Redundancy costs	-	13,000
Bad debts arising on aborted contracts	-	136,588
	-	149,588

9 TAXATION

	2011	2010
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on loss for the year	6,550	6,900
Adjustments in respect of prior periods	(20)	(1,866)
Tax on loss on ordinary activities	6,530	5,034

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

9. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - *higher than*) the standard rate of corporation tax in the UK of 21% (2010 - 28%) The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	(11,614)	(37,919)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2010 - 28%)	(2,439)	(10,617)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	39,535
Expenses not deductible for tax purposes	2,370	-
Depreciation for year in excess of capital allowances	6,606	(21,667)
Adjustments to tax charge in respect of prior periods	(20)	(1,866)
Other differences leading to an increase (decrease) in the tax charge	-	(331)
Current year overprovision	13	(20)
Current tax charge for the year (see note above)	6,530	5,034

Factors that may affect future tax charges

There were no factors that may affect future tax charges

10. INTANGIBLE FIXED ASSETS

	Goodwill £
Group	
Cost	
At 1 June 2010 and 31 May 2011	422,031
Amortisation	
At 1 June 2010	48,076
Charge for the year	42,203
At 31 May 2011	90,279
Net book value	
At 31 May 2011	331,752
At 31 May 2010	373,955

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

11. TANGIBLE FIXED ASSETS

Group	Land and buildings £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost						
At 1 June 2010	316,008	138,721	414,270	108,785	34,506	1,012,290
Additions	-	1,650	60,287	-	617	62,554
Disposals	-	-	(32,554)	-	-	(32,554)
At 31 May 2011	316,008	140,371	442,003	108,785	35,123	1,042,290
Depreciation						
At 1 June 2010	116,767	124,111	312,502	75,600	21,689	650,669
Charge for the year	22,351	3,889	40,367	5,005	3,085	74,697
On disposals	-	-	(25,907)	-	-	(25,907)
At 31 May 2011	139,118	128,000	326,962	80,605	24,774	699,459
Net book value						
At 31 May 2011	176,890	12,371	115,041	28,180	10,349	342,831
At 31 May 2010	199,241	14,610	101,768	33,185	12,817	361,621

At 31 May 2011, included within the net book value of land and buildings is £176,890 (2010 - £66,023) relating to freehold land and buildings and £Nil (2010 - £22,351) relating to long term leasehold land and buildings

Company	Land and buildings £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost					
At 1 June 2010	205,141	16,858	73,437	57,014	352,450
Additions	-	-	34,792	-	34,792
At 31 May 2011	205,141	16,858	108,229	57,014	387,242
Depreciation					
At 1 June 2010	116,767	6,690	48,318	31,489	203,264
Charge for the year	22,351	2,542	14,978	3,829	43,700
At 31 May 2011	139,118	9,232	63,296	35,318	246,964
Net book value					
At 31 May 2011	66,023	7,626	44,933	21,696	140,278
At 31 May 2010	88,374	10,168	25,119	25,525	149,186

At 31 May 2011, included within the net book value of land and buildings is £66,023 (2010 - £66,023) relating to freehold land and buildings and £Nil (2010 - £22,351) relating to long term leasehold land and buildings

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

12. FIXED ASSET INVESTMENTS

Company	Shares in group undertaking £
Cost or valuation	
At 1 June 2010 and 31 May 2011	672,340
Net book value	
At 31 May 2011	672,340
At 31 May 2010	672,340

Details of the principal subsidiaries can be found under note number 30

13. STOCKS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Finished goods and goods for resale	26,897	40,288	-	-

14. DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	208,438	206,892	-	-
Amounts owed by group undertakings	-	-	21,600	20,445
Other debtors	125,555	150,987	-	-
Prepayments and accrued income	49,019	-	-	-
Amounts recoverable on long term contracts	1,322,163	886,832	-	-
Deferred tax asset (see note 17)	4,324	4,324	9,260	9,260
	1,709,499	1,249,035	30,860	29,705

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

**15 CREDITORS:
Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	55,910	127,989	7,998	7,998
Trade creditors	776,999	341,105	-	-
Amounts owed to group undertakings	-	-	115,168	115,168
Corporation tax	6,550	6,900	5,950	-
Social security and other taxes	82,559	72,354	19,179	15,986
Other creditors	366,167	323,258	31,512	-
Accruals and deferred income	169,158	83,755	7,200	7,200
	<u>1,457,343</u>	<u>955,361</u>	<u>187,007</u>	<u>146,352</u>

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

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	<u>82,161</u>	<u>87,758</u>	<u>82,161</u>	<u>87,758</u>

Creditors include amounts not wholly repayable within 5 years as follows

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Repayable by instalments	<u>50,168</u>	<u>55,765</u>	<u>50,168</u>	<u>55,765</u>

The loan is secured with a first legal charge over the property at 6, Marlborough Parade, Hillingdon, UB10 0LR. The loan is repayable by instalments of £8,000 per annum.

17. DEFERRED TAX ASSET

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
At beginning and end of year	<u>4,324</u>	<u>4,324</u>	<u>9,260</u>	<u>9,260</u>

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

17. DEFERRED TAX ASSET (continued)

The deferred tax asset is made up as follows

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Decelerated capital allowances	4,324	4,324	9,260	9,260

18 SHARE CAPITAL

	2011	2010
	£	£
Allotted, called up and fully paid		
2 Ordinary A shares of £1 each	2	2
38 Ordinary B shares of £1 each	38	38
1 Ordinary C share of £1	1	1
1 Ordinary D share of £1	1	1
21 Ordinary E shares of £1 each	21	21
1 Ordinary F share of £1	1	1
11 Ordinary G shares of £1 each	11	11
	75	75

All shares are separate classes of shares for the purpose of declaration of dividends but rank pari passu in all other respects

19. RESERVES

Group	Capital redempt'n reserve £	Profit and loss account £
At 1 June 2010	(14,974)	1,269,317
Loss for the year		(18,144)
Dividends Equity capital		(60,535)
At 31 May 2011	(14,974)	1,190,638

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

19. RESERVES (continued)

Company	Capital redempt'n reserve £	Profit and loss account £
At 1 June 2010	25	688,911
Profit for the year		49,391
Dividends Equity capital		(60,535)
At 31 May 2011	<u>25</u>	<u>677,767</u>

20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2011 £	2010 £
Opening shareholders' funds	1,254,418	1,412,671
Loss for the year	(18,144)	(42,953)
Dividends (Note 21)	(60,535)	(115,300)
Closing shareholders' funds	<u>1,175,739</u>	<u>1,254,418</u>

Company	2011 £	2010 £
Opening shareholders' funds	689,011	788,282
Profit for the year	49,391	16,029
Dividends (Note 21)	(60,535)	(115,300)
Closing shareholders' funds	<u>677,867</u>	<u>689,011</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss account

The profit for the year dealt with in the accounts of the company was £49,391 (2010 - £16,029)

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

21. DIVIDENDS

	2011 £	2010 £
Dividends paid on equity capital	<u>60,535</u>	<u>115,300</u>

The directors have an interest in the dividend paid in the year as follows

M W Evans - £12,550
A C Evans - £8,193
G J Evans - £5,915

22. MINORITY INTERESTS

The minority interest is in relation to the 'B' shares in R G Evans (Plumbing & Heating) Limited

Non equity

At 1 June 2010 and 31 May 2011 7

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating loss	(9,217)	(37,625)
Amortisation of intangible fixed assets	42,203	42,203
Depreciation of tangible fixed assets	74,697	85,319
(Profit)/loss on disposal of tangible fixed assets	(1,268)	224
Decrease/(increase) in stocks	13,391	(52)
(Increase)/decrease in debtors	(460,465)	345,836
Increase/(decrease) in creditors	574,412	(358,510)
Net cash inflow from operating activities	<u><u>233,753</u></u>	<u><u>77,395</u></u>

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	4	1,897
Interest paid	(2,401)	(2,191)
Net cash outflow from returns on investments and servicing of finance	<u><u>(2,397)</u></u>	<u><u>(294)</u></u>

R G EVANS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

24 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2011 £	2010 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(122,240)
Purchase of tangible fixed assets	(62,554)	(39,165)
Sale of tangible fixed assets	7,915	27,500
	<u>(54,639)</u>	<u>(133,905)</u>
Net cash outflow from capital expenditure	<u>(54,639)</u>	<u>(133,905)</u>
	2011 £	2010 £
Financing		
New secured loans	-	100,000
Repayment of loans	(5,597)	(4,244)
	<u>(5,597)</u>	<u>95,756</u>
Net cash (outflow)/inflow from financing	<u>(5,597)</u>	<u>95,756</u>

25 ANALYSIS OF CHANGES IN NET DEBT

	As restated 1 June 2010 £	Cash flow £	Other non-cash changes £	31 May 2011 £
Cash at bank and in hand	272,645	31,626	-	304,271
Bank overdraft	(119,991)	72,079	-	(47,912)
	<u>152,654</u>	<u>103,705</u>	<u>-</u>	<u>256,359</u>
Debt:				
Debts due within one year	(7,998)	5,597	(5,597)	(7,998)
Debts falling due after more than one year	(87,758)	-	5,597	(82,161)
	<u>56,898</u>	<u>109,302</u>	<u>-</u>	<u>166,200</u>
Net funds	<u>56,898</u>	<u>109,302</u>	<u>-</u>	<u>166,200</u>

R G EVANS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

26. CONTINGENT LIABILITIES

During the year, a legal claim was made against the main trading subsidiary in respect of faulty installation. If the subsidiary is found to be liable, the costs to the subsidiary will be in the region of £500,000.

The directors have taken legal advice, and do not believe the subsidiary is liable for the claim and even if the subsidiary is found to be liable, the directors believe the subsidiary is fully covered for the liability by their insurance.

On the basis that the directors do not believe the subsidiary is liable for the costs and in any event would be covered by insurance, no provision has been made in the accounts.

27. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £18,285 (2010 - £63,481). Contributions totalling £4,421 (2010 - £4,421) were payable to the fund at the balance sheet date.

28. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

At the year end a balance amounting to £145,320 (2010 - £145,000) was due to M W Evans, a director of the company.

At the year end a balance amounting to £150,304 (2010 - £150,000) was due to A C Evans, a director of the company.

At the year end a balance amounting to £316 (2010 - £Nil) was due to G J Evans, a director of the company.

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is M W Evans, a director. M W Evans exercises control through a majority shareholding in the parent company.

30. PRINCIPAL SUBSIDIARIES

Company name	Country	Equity Percentage Shareholding	Description
R G Evans (Plumbing & Heating) Limited	England & Wales	100%	Plumbing & Heating Engineers
J F Heppelthwaites Limited	England & Wales	100%	Plumbing & Heating Engineers