

PAUL EARL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2012

Company Registration No 02460613 (England and Wales)



Chartered Accountants
& Statutory Auditor

PAUL EARL LIMITED

COMPANY INFORMATION

Directors

R Moore
L Moore
D Moore
S Everitt
D Plant
W Moore
K Coade

Secretary

L Moore

Company number

02460613

Registered office

Moore House
Albourne Court
Henfield Road
Albourne
West Sussex
BN6 9FF

Auditors

Plummer Parsons
18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Business address

Moore House
Albourne Court
Henfield Road
Albourne
West Sussex
BN6 9FF

Bankers

Allied Irish Bank Plc
20 - 22 Marlborough Place
Brighton
East Sussex
BN1 1UB

PAUL EARL LIMITED

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PAUL EARL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2012

The directors present their report and financial statements for the year ended 31 May 2012

Principal activities

The principal activity of the company continued to be that of electrical and mechanical contracting and design

Directors

The following directors have held office since 1 June 2011

R Moore
L Moore
D Moore
S Eventt
D Plant
W Moore
K Coade

Auditors

The auditors, Plummer Parsons, are deemed to be reappointed under section 487(2) of the Companies Act 2006

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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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

PAUL EARL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

A handwritten signature in black ink, appearing to read 'D Moore', with a stylized flourish extending from the end.

D Moore

Director

25 February 2013

PAUL EARL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PAUL EARL LIMITED

We have audited the financial statements of Paul Earl Limited for the year ended 31 May 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 set out on pages 1 - 2, 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 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 company's affairs as at 31 May 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

PAUL EARL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PAUL EARL 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

Neville Beckhurst FCA (Senior Statutory Auditor)
for and on behalf of Plummer Parsons

25 02 13

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

PAUL EARL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2012

		2012	2011
	Notes	£	£
Turnover	2	9,319,673	10,869,029
Cost of sales		<u>(7,578,503)</u>	<u>(8,629,342)</u>
Gross profit		1,741,170	2,239,687
Administrative expenses		<u>(1,663,829)</u>	<u>(2,134,813)</u>
Operating profit	3	77,341	104,874
Investment income	4	(100)	-
Other interest receivable and similar income	4	780	1,341
Interest payable and similar charges		<u>(20,056)</u>	<u>(42,573)</u>
Profit on ordinary activities before taxation		57,965	63,642
Tax on profit on ordinary activities	5	<u>(22,699)</u>	<u>(31,183)</u>
Profit for the year	15	<u>35,266</u>	<u>32,459</u>

PAUL EARL LIMITED

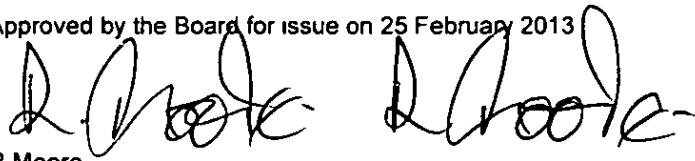
BALANCE SHEET

AS AT 31 MAY 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7	896,883		925,968	
Investments	8	-		100	
		<u>896,883</u>		<u>926,068</u>	
Current assets					
Stocks		20,000		20,000	
Debtors	9	2,323,583		2,044,575	
Cash at bank and in hand		<u>18,487</u>		<u>132,450</u>	
		2,362,070		2,197,025	
Creditors, amounts falling due within one year	10	<u>(1,488,283)</u>		<u>(1,169,496)</u>	
Net current assets		<u>873,787</u>		<u>1,027,529</u>	
Total assets less current liabilities		<u>1,770,670</u>		<u>1,953,597</u>	
Creditors amounts falling due after more than one year	11	(395,466)		(427,426)	
Provisions for liabilities	12	<u>(14,924)</u>		<u>(1,157)</u>	
		<u>1,360,280</u>		<u>1,525,014</u>	
Capital and reserves					
Called up share capital	14	121,514		121,514	
Profit and loss account	15	<u>1,238,766</u>		<u>1,403,500</u>	
Shareholders' funds		<u>1,360,280</u>		<u>1,525,014</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 25 February 2013


R Moore
Director

Company Registration No 02460613

PAUL EARL LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2012

	2012 £	2011 £
Operating profit	77,341	104,874
Depreciation of tangible assets	93,838	197,860
Loss on disposal of tangible assets	2,439	71,857
Increase in debtors	(279,008)	(329,104)
Increase/(decrease) in creditors within one year	322,396	(355,801)
Cash generated from operations	217,006	(310,314)
Cash from other sources		
Interest received	780	1,341
Receipts from sales of tangible assets	31,300	175,468
New long term bank loan	20,056	11,307
	52,136	188,116
Application of cash		
Interest paid	17,276	42,573
Tax paid	13,985	92,962
Payments to acquire tangible assets	98,492	22,047
Dividends paid	200,000	50,000
Repayment of long term bank loan	53,352	80,028
Capital element of hire purchase contracts	-	143,155
	(383,105)	(430,765)
Net decrease in cash	(113,963)	(552,963)
Cash at bank and in hand less overdrafts at beginning of year	132,450	685,413
Cash at bank and in hand less overdrafts at end of year	18,487	132,450
Consisting of		
Cash at bank and in hand	18,487	132,450
	18,487	132,450

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold land and buildings	Over 25 years on a straight line basis
Plant and machinery	10% on a reducing balance basis
Computer equipment	10% on a reducing balance basis
Fixtures, fittings & equipment	10% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

1.4 Investments

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

1.5 Revenue recognition

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

2 Turnover

In the year to 31 May 2012 0.37% (2011 - 13.54%) of the company's turnover was to markets outside the United Kingdom

3 Operating profit

	2012 £	2011 £
Operating profit is stated after charging		
Depreciation of tangible assets	93,838	197,860
Auditors' remuneration	8,000	8,000
Directors' remuneration	528,266	573,058

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

4	Investment income	2012	2011
		£	£
	Income from fixed asset investments	(100)	-
	Other interest	780	1,341
		<u>680</u>	<u>1,341</u>
5	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U K corporation tax	8,933	15,273
	Total current tax	<u>8,933</u>	<u>15,273</u>
	Deferred tax		
	Deferred tax charge/credit current year	13,766	15,910
		<u>22,699</u>	<u>31,183</u>
6	Dividends	2012	2011
		£	£
	Ordinary interim paid	<u>200,000</u>	<u>50,000</u>

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2011	718,356	111,961	137,447	500,128	1,467,892
Additions	-	15,728	7,320	75,444	98,492
Disposals	-	-	-	(121,616)	(121,616)
At 31 May 2012	718,356	127,689	144,767	453,956	1,444,768
Depreciation					
At 1 June 2011	100,600	58,818	53,584	328,922	541,924
On disposals	-	-	-	(87,877)	(87,877)
Charge for the year	20,388	9,415	14,153	49,882	93,838
At 31 May 2012	120,988	68,233	67,737	290,927	547,885
Net book value					
At 31 May 2012	597,368	59,456	77,030	163,029	896,883
At 31 May 2011	617,756	53,144	83,863	171,205	925,968

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2012

8 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 June 2011	100
Disposals	(100)
At 31 May 2012	-
Net book value	
At 31 May 2012	-
At 31 May 2011	100

Eagle Design Consultants Limited was dissolved on 17 January 2012

9 Debtors	2012 £	2011 £
Trade debtors	560,071	646,575
Amounts recoverable under contract not yet billed	40,860	143,036
Applications applied not yet billed	1,708,117	1,176,217
Other debtors	780	51,237
Prepayments and accrued income	13,755	27,510
	2,323,583	2,044,575

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

10 Creditors' amounts falling due within one year	2012	2011
	£	£
Bank loans and overdrafts	37,802	39,138
Trade creditors	1,142,289	799,800
Corporation tax	8,933	13,986
Other taxes and social security costs	137,795	56,824
Other creditors	24,682	22,746
Accruals and deferred income	136,782	237,002
	<u>1,488,283</u>	<u>1,169,496</u>
 Debt due in one year or less	 <u>29,258</u>	 <u>39,138</u>
 11 Creditors' amounts falling due after more than one year	 2012	 2011
	£	£
Bank loans	<u>395,466</u>	<u>427,426</u>
 Analysis of loans		
Not wholly repayable within five years by instalments	433,268	466,564
Included in current liabilities	<u>(37,802)</u>	<u>(39,138)</u>
	<u>395,466</u>	<u>427,426</u>
 Instalments not due within five years	 <u>278,444</u>	 <u>270,874</u>

The bank loans are secured on the freehold land and buildings

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2012

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 June 2011	1,158
Profit and loss account	13,766
	<u>14,924</u>
Balance at 31 May 2012	<u>14,924</u>

The deferred tax liability is made up as follows

	2012 £	2011 £
Accelerated capital allowances	<u>14,924</u>	<u>1,157</u>

13 Pension costs

Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	<u>49,262</u>	<u>63,308</u>

14 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
121,514 Ordinary shares of £1 each	<u>121,514</u>	<u>121,514</u>

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2012

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 June 2011	1,403,500
Profit for the year	35,266
Dividends paid	(200,000)
Balance at 31 May 2012	<u>1,238,766</u>

16 Control

The company was under the control of the director and shareholder R Moore during the current and previous periods

PAUL EARL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

17 Related party relationships and transactions

Loans to directors

During the previous period the director, R Moore, was given a loan to purchase a vehicle. The capital element of the loan was repaid during the year and the outstanding balance represents interest which will be paid after the year end.

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Loan to buy vehicle	4.00	51,237	20,000	780	(71,237)	780
		<u>51,237</u>	<u>20,000</u>	<u>780</u>	<u>(71,237)</u>	<u>780</u>

Dividends to Directors

During the period the directors received dividends as follows:

	2012 £	2011 £
R Moore	62,717	15,679
L Moore	60,946	15,236
D Moore	47,856	11,964
S Eventt	23,168	5,792
D Plant	1,771	443
W Moore	1,771	443
K Coade	1,771	443
	<u>200,000</u>	<u>50,000</u>

Other transactions

During the year the company made payments totalling £82,530 for rent of 7,8,9 Albourn Court to a pension fund scheme, Paul Earl SIPP, in which 4 of the directors are beneficiaries.