

Company Registration No. 02790049 (England and Wales)

ARMAC DEMOLITION LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2011



ARMAC DEMOLITION LIMITED

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ARMAC DEMOLITION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

The directors present their report and financial statements for the year ended 30 June 2011

Principal activities and review of the business

The principal activity of the company continued to be that of crushing and demolition services

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face. Together with our business partners we are able to provide a comprehensive demolition package to our client from surveying, demolition to remediation.

As for many businesses, and, the business environment in which we operate continues to be challenging. We are confident that our unique approach we can bring to our client and the resources we have available both in terms of skill and plant we are in a stronger position to weather the economic uncertainty than our competitors.

With this risk and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

Given the prevailing economic condition the directors are satisfied with the company's performance.

We consider that our key financial performance indicator is to have positive cash flow, following strict cash management controls we achieved an increase in cash of over £200,000.

Results and dividends

The results for the year are set out on page 4.

No dividend has been paid or proposed for the year.

Market value of land and buildings

The company does not own any land and buildings.

Post balance sheet events

Following a share for share exchange on the 8th September 2011, Armac Demolition Limited is no longer part of a group.

Directors

The following directors have held office since 1 July 2010:

Mr M I Dudley

Mr A J McLean

Mr N McLean

Auditors

The auditors, Jerroms LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

ARMAC DEMOLITION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

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

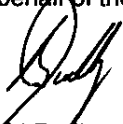
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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.

On behalf of the board



Mr M I Dudley

Director

28 March 2012

ARMAC DEMOLITION LIMITED

INDEPENDENT AUDITORS' REPORT TO ARMAC DEMOLITION LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 17, together with the financial statements of Armac Demolition Limited for the year ended 30 June 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

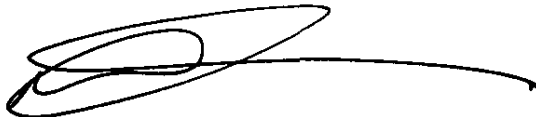
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Mr Mark James Eden F.C.C.A (Senior Statutory Auditor)
for and on behalf of Jerroms LLP

28 March 2012

Chartered Certified Accountants
Statutory Auditor

The Exchange
Haslucks Green Road
Shirley
Solihull
West Midlands
B90 2EL

ARMAC DEMOLITION LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover		10,785,640	9,901,258
Other operating income less cost of sales		(9,228,302)	(8,709,258)
Administrative expenses		(1,480,039)	(1,221,409)
Operating profit/(loss)	2	77,299	(29,409)
Other interest receivable and similar income		25	763
Interest payable and similar charges	4	(18,216)	(16,093)
Profit/(loss) on ordinary activities before taxation		59,108	(44,739)
Tax on profit/(loss) on ordinary activities	5	(4,764)	38,508
Profit/(loss) for the year	14	54,344	(6,231)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

ARMAC DEMOLITION LIMITED

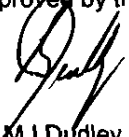
ABBREVIATED BALANCE SHEET

AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	6	2,711,762		3,217,019	
Current assets					
Stocks	7	434,500		463,700	
Debtors	8	2,585,208		2,611,591	
Cash at bank and in hand		257,510		38,858	
		<u>3,277,218</u>		<u>3,114,149</u>	
Creditors amounts falling due within one year	9	<u>(2,265,204)</u>		<u>(2,626,632)</u>	
Net current assets		<u>1,012,014</u>		<u>487,517</u>	
Total assets less current liabilities		<u>3,723,776</u>		<u>3,704,536</u>	
Creditors amounts falling due after more than one year	10	(243,250)		(222,126)	
Provisions for liabilities	11	(397,938)		(444,167)	
Accruals and deferred income	12	-		(10,000)	
		<u>3,082,588</u>		<u>3,028,243</u>	
Capital and reserves					
Called up share capital	13	202		202	
Profit and loss account	14	<u>3,082,386</u>		<u>3,028,041</u>	
Shareholders' funds	15	<u>3,082,588</u>		<u>3,028,243</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 28 March 2012


Mr. M I Dudley
Director

Company Registration No. 02790049

ARMAC DEMOLITION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	£	2011 £	£	2010 £
Net cash inflow from operating activities		240,995		835,080
Returns on investments and servicing of finance				
Interest received	25		763	
Interest paid	(18,216)		(16,093)	
Net cash outflow for returns on investments and servicing of finance		(18,191)		(15,330)
Taxation		(7,048)		(24,172)
Capital expenditure				
Payments to acquire tangible assets	(515,637)		(957,555)	
Receipts from sales of tangible assets	521,908		17,825	
Net cash inflow/(outflow) for capital expenditure		6,271		(939,730)
Net cash inflow/(outflow) before management of liquid resources and financing		222,026		(144,152)
Financing				
Capital element of hire purchase contracts	316,800		428,300	
Capital element of finance lease contracts	(320,175)		(279,020)	
Net cash (outflow)/inflow from financing		(3,375)		149,280
Increase in cash in the year		218,652		5,128

ARMAC DEMOLITION LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

1	Reconciliation of operating profit/(loss) to net cash inflow from operating activities		2011	2010
			£	£
	Operating profit/(loss)		77,299	(29,409)
	Depreciation of tangible assets		663,055	707,158
	Profit on disposal of tangible assets		(164,070)	(4,120)
	Decrease/(increase) in stocks		29,200	(73,700)
	Decrease/(increase) in debtors		26,383	(1,011,500)
	(Decrease)/Increase in creditors within one year		(380,872)	1,256,651
	Movement on grant provision		(10,000)	(10,000)
	Net cash inflow from operating activities		240,995	835,080

2	Analysis of net debt	1 July 2010	Cash flow	Other non-cash changes	30 June 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	38,858	218,652	-	257,510
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(474,026)	320,176	(316,800)	(470,650)
	Net debt	(435,168)	538,828	(316,800)	(213,140)

3	Reconciliation of net cash flow to movement in net debt	2011	2010
		£	£
	Increase in cash in the year	218,652	5,128
	Cash outflow from decrease in debt and lease financing	320,176	279,019
	Change in net debt resulting from cash flows	538,828	284,147
	New finance lease	(316,800)	(428,300)
	Movement in net debt in the year	222,028	(144,153)
	Opening net debt	(435,168)	(291,015)
	Closing net debt	(213,140)	(435,168)

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

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

1.4 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 less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	15%-20% Reducing Balance
Motor vehicles	25% Reducing Balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.8 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Eaglebeam Limited (formerly McLean Estates Limited), a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

2	Operating profit/(loss)	2011	2010
		£	£
	Operating profit/(loss) is stated after charging		
	Depreciation of tangible assets	663,055	707,158
	Operating lease rentals		
	- Plant and machinery	17,612	26,587
	Auditors' remuneration	3,000	3,275
	and after crediting		
	Government grants	(10,000)	(10,000)
	Profit on disposal of tangible assets	(164,070)	(4,120)
		<u> </u>	<u> </u>
 3	 Investment income	 2011	 2010
		£	£
	Bank interest	25	210
	Other interest	-	553
		<u> </u>	<u> </u>
		25	763
		<u> </u>	<u> </u>
 4	 Interest payable	 2011	 2010
		£	£
	On bank loans and overdrafts	217	9
	Hire purchase interest	17,999	16,084
		<u> </u>	<u> </u>
		18,216	16,093
		<u> </u>	<u> </u>

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

5	Taxation	2011 £	2010 £
	Domestic current year tax		
	U K corporation tax	50,993	7,048
	Total current tax	50,993	7,048
	Deferred tax		
	Origination and reversal of timing differences	(46,229)	(45,556)
		4,764	(38,508)
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	59,108	(44,739)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27 00% (2010 - 28 00%)	15,959	(12,527)
	Effects of		
	Non deductible expenses	3,936	7,606
	Depreciation add back	134,726	198,004
	Capital allowances	(102,601)	(183,025)
	Marginal rate relief	(1,027)	(3,010)
		35,034	19,575
	Current tax charge for the year	50,993	7,048

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

6 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 July 2010	6,313,214	103,084	6,416,298
Additions	515,637	-	515,637
Disposals	(813,000)	-	(813,000)
At 30 June 2011	6,015,851	103,084	6,118,935
Depreciation			
At 1 July 2010	3,132,441	66,837	3,199,278
On disposals	(455,162)	-	(455,162)
Charge for the year	653,994	9,063	663,057
At 30 June 2011	3,331,273	75,900	3,407,173
Net book value			
At 30 June 2011	2,684,578	27,184	2,711,762
At 30 June 2010	3,180,772	36,247	3,217,019

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and machinery £
Net book values	
At 30 June 2011	733,731
At 30 June 2010	1,013,137
Depreciation charge for the year	
At 30 June 2011	173,713
At 30 June 2010	201,867

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

7	Work in progress	2011 £	2010 £
	Work in progress	434,500	463,700

8	Debtors	2011 £	2010 £
	Trade debtors	2,374,607	2,315,121
	Amounts owed by parent and fellow subsidiary undertakings	192,873	224,330
	Other debtors	17,728	72,140
		2,585,208	2,611,591

9	Creditors, amounts falling due within one year	2011 £	2010 £
	Net obligations under hire purchase contracts	227,400	251,900
	Trade creditors	1,382,322	1,982,687
	Corporation tax	37,281	(6,664)
	Other taxes and social security costs	299,728	76,174
	Directors' current accounts	241,643	274,457
	Other creditors	62,330	33,578
	Accruals and deferred income	14,500	14,500
		2,265,204	2,626,632

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

10 Creditors' amounts falling due after more than one year	2011 £	2010 £
Net obligations under hire purchase contracts	<u>243,250</u>	<u>222,126</u>
Net obligations under hire purchase contracts		
Repayable within one year	227,400	251,900
Repayable between one and five years	<u>243,250</u>	<u>222,126</u>
	470,650	474,026
Included in liabilities falling due within one year	<u>(227,400)</u>	<u>(251,900)</u>
	<u>243,250</u>	<u>222,126</u>

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2010	444,167
Profit and loss account	<u>(46,229)</u>
Balance at 30 June 2011	<u>397,938</u>

The deferred tax liability is made up as follows

	2011 £	2010 £
Accelerated capital allowances	<u>397,938</u>	<u>444,167</u>

12 Accruals and deferred income

	Government grants £
Balance at 1 July 2010	10,000
Amortisation in the year	<u>(10,000)</u>
Balance at 30 June 2011	<u>-</u>

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

13 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
200 Ordinary Shares of £1 each of £1 each	200	200
2 Ordinary "B" Shares of £1 each of £1 each	2	2
	<u>202</u>	<u>202</u>

14 Statement of movements on profit and loss account

Profit and loss account £

Balance at 1 July 2010	3,028,041
Profit for the year	<u>54,345</u>
Balance at 30 June 2011	<u>3,082,386</u>

15 Reconciliation of movements in shareholders' funds	2011 £	2010 £
Profit/(Loss) for the financial year	54,345	(6,231)
Opening shareholders' funds	<u>3,028,243</u>	<u>3,034,474</u>
Closing shareholders' funds	<u>3,082,588</u>	<u>3,028,243</u>

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

16 Financial commitments

At 30 June 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2012

	Other 2011 £	2010 £
Operating leases which expire		
Within one year	3,984	6,280
Between two and five years	18,612	13,788
	<u>22,596</u>	<u>20,068</u>

17 Directors' remuneration

	2011 £	2010 £
Remuneration for qualifying services	<u>593,785</u>	<u>386,312</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2010 - 3)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	<u>212,471</u>	<u>131,928</u>
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ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Directors	3	3
Staff	11	10
Direct	48	45
	<u>62</u>	<u>58</u>

Employment costs

	2011 £	2010 £
Wages and salaries	2,569,525	2,360,362
Social security costs	251,340	207,623
	<u>2,820,865</u>	<u>2,567,985</u>

19 Related party transactions

The Company has taken advantage of the exemption in 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

During the year the company traded with Armac Environmental Limited and Stonebridge Plant Limited, related parties of Armac Demolition Limited, due to common directorships as follows

Armac Environmental Limited

Purchases from £1,186,788

In trade creditors £39,832

Stonebridge Plant Limited

Sales to £277,000

In trade debtors £152,000

Purchases from £100,050

In trade creditors £116,492

Transactions with directors

Included in creditors are amounts due to Messrs M Dudley, A McLean and N McLean, all directors of the company £23,230, £110,850 and £107,563 respectively

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

20 Ultimate parent company

At the year end the ultimate parent company is Eaglebeam Limited (formerly McLean Estates Limited), a company registered in England and Wales

On 8th September 2011 following a share for share exchange, Armac Demolition Limited is no longer a subsidiary of Eaglebeam Limited