

Company Registration No. 02790049 (England and Wales)

ARMAC DEMOLITION LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 2012

WEDNESDAY



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27/03/2013
COMPANIES HOUSE

ARMAC DEMOLITION LIMITED

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ARMAC DEMOLITION LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 JUNE 2012

The directors present their report and financial statements for the period ended 30 June 2012

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 remain profitable which has been achieved despite the economic conditions, by maintaining strict financial controls. There was heavy investment in plant which was the major contributory factor to the negative cashflow.

Results and dividends

The results for the period 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.

Directors

The following directors have held office since 1 July 2011:

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 PERIOD ENDED 30 JUNE 2012

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

25 March 2013

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 15, together with the financial statements of Armac Demolition Limited for the period ended 30 June 2012 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

Chartered Certified Accountants
Statutory Auditor

27/3/13.
The Exchange
Haslucks Green Road
Shirley
Solihull
West Midlands
B90 2EL

ARMAC DEMOLITION LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2012

		Year ended 30 June 2012 £	Year ended 30 June 2011 £
	Notes		
Turnover		10,742,740	10,785,640
Other operating income less cost of sales		(9,100,391)	(9,228,302)
Administrative expenses		(1,487,385)	(1,480,039)
Operating profit	2	154,964	77,299
Other interest receivable and similar income		231	25
Interest payable and similar charges	4	(11,038)	(18,215)
Profit on ordinary activities before taxation		144,157	59,109
Tax on profit on ordinary activities	5	(24,681)	(4,764)
Profit for the period	13	119,476	54,345

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

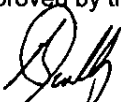
ABBREVIATED BALANCE SHEET

AS AT 30 JUNE 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	6	2,622,088		2,711,762	
Current assets					
Stocks	7	529,784		434,500	
Debtors	8	2,682,330		2,585,208	
Cash at bank and in hand		-		257,510	
		<u>3,212,114</u>		<u>3,277,218</u>	
Creditors' amounts falling due within one year	9	<u>(2,066,287)</u>		<u>(2,265,204)</u>	
Net current assets		<u>1,145,827</u>		<u>1,012,014</u>	
Total assets less current liabilities		<u>3,767,915</u>		<u>3,723,776</u>	
Creditors' amounts falling due after more than one year	10	(211,288)		(243,250)	
Provisions for liabilities	11	<u>(354,563)</u>		<u>(397,938)</u>	
		<u>3,202,064</u>		<u>3,082,588</u>	
Capital and reserves					
Called up share capital	12	202		202	
Profit and loss account	13	<u>3,201,862</u>		<u>3,082,386</u>	
Shareholders' funds	14	<u>3,202,064</u>		<u>3,082,588</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 25 March 2013


Mr M I Dudley
Director

Company Registration No 02790049

ARMAC DEMOLITION LIMITED

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2012

	£	Year ended 30 June 2012 £	£	Year ended 30 June 2011 £
Net cash (outflow)/inflow from operating activities		(83,273)		240,994
Returns on investments and servicing of finance				
Interest received	231		25	
Interest paid	(11,038)		(18,215)	
Net cash outflow for returns on investments and servicing of finance		(10,807)		(18,190)
Taxation		(50,993)		(7,047)
Capital expenditure				
Payments to acquire tangible assets	(609,729)		(515,637)	
Receipts from sales of tangible assets	223,357		521,908	
Net cash (outflow)/inflow for capital expenditure		(386,372)		6,271
Net cash (outflow)/inflow before management of liquid resources and financing		(531,445)		222,028
Financing				
Capital element of hire purchase contracts	(32,248)		(3,376)	
Net cash outflow from financing		(32,248)		(3,376)
(Decrease)/increase in cash in the period		(563,693)		218,652

ARMAC DEMOLITION LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2012

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2012	2011
		£	£
	Operating profit	154,964	77,299
	Depreciation of tangible assets	558,716	663,055
	Profit on disposal of tangible assets	(82,670)	(164,070)
	(Increase)/decrease in stocks	(95,284)	29,200
	(Increase)/decrease in debtors	(97,122)	26,383
	Decrease in creditors within one year	(521,877)	(380,873)
	Movement on grant provision	-	(10,000)
	Net cash (outflow)/inflow from operating activities	(83,273)	240,994

2	Analysis of net debt	1 July 2011	Cash flow	Other non-cash changes	30 June 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	257,510	(257,510)	-	-
	Bank overdrafts	-	(306,183)	-	(306,183)
		<u>257,510</u>	<u>(563,693)</u>	<u>-</u>	<u>(306,183)</u>
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(470,650)	32,248	-	(438,402)
	Net debt	(213,140)	(531,445)	-	(744,585)

3	Reconciliation of net cash flow to movement in net debt	2012	2011
		£	£
	(Decrease)/increase in cash in the period	(563,693)	218,652
	Cash outflow from decrease in debt and lease financing	32,248	3,376
	Movement in net debt in the period	(531,445)	222,028
	Opening net debt	(213,140)	(435,168)
	Closing net debt	(744,585)	(213,140)

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 30 JUNE 2012

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. During the year following a share for share exchange, Armac Demolition Limited is no longer a subsidiary of Eaglebeam Limited.

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

2	Operating profit	2012	2011
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	558,716	663,055
	Operating lease rentals		
	- Plant and machinery	20,931	17,612
	Auditors' remuneration (including expenses and benefits in kind)	6,200	3,000
	and after crediting		
	Government grants	10,000	10,000
	Profit on disposal of tangible assets	(82,670)	(164,070)
		<u> </u>	<u> </u>
3	Investment income	2012	2011
		£	£
	Bank interest	-	25
	Other interest	231	-
		<u> </u>	<u> </u>
		231	25
		<u> </u>	<u> </u>
4	Interest payable	2012	2011
		£	£
	On bank loans and overdrafts	2	217
	Hire purchase interest	11,036	17,998
		<u> </u>	<u> </u>
		11,038	18,215
		<u> </u>	<u> </u>

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

5	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	68,056	50,993
	Total current tax	68,056	50,993
	Deferred tax		
	Origination and reversal of timing differences	(43,375)	(46,229)
		24,681	4,764
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	144,157	59,109
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.50% (2011 - 27.00%)	36,760	15,959
	Effects of		
	Non deductible expenses	2,122	3,936
	Depreciation add back	121,392	134,726
	Capital allowances	(92,218)	(102,601)
	Marginal rate relief	-	(1,027)
		31,296	35,034
	Current tax charge for the period	68,056	50,993

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

6 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 July 2011	6,015,851	103,084	6,118,935
Additions	609,729	-	609,729
Disposals	(502,730)	(23,099)	(525,829)
At 30 June 2012	6,122,850	79,985	6,202,835
Depreciation			
At 1 July 2011	3,331,273	75,900	3,407,173
On disposals	(364,276)	(20,866)	(385,142)
Charge for the period	552,478	6,238	558,716
At 30 June 2012	3,519,475	61,272	3,580,747
Net book value			
At 30 June 2012	2,603,375	18,713	2,622,088
At 30 June 2011	2,684,578	27,184	2,711,762

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

	Plant and machinery £
Net book values	
At 30 June 2012	963,661
At 30 June 2011	733,731
Depreciation charge for the period	
At 30 June 2012	183,226
At 30 June 2011	173,713

7 Work in progress

	2012 £	2011 £
Work in progress	529,784	434,500

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

8 Debtors	2012 £	2011 £
Trade debtors	2,279,680	2,374,607
Amounts owed by parent and fellow subsidiary undertakings	-	192,873
Other debtors	402,650	17,728
	<u>2,682,330</u>	<u>2,585,208</u>

9 Creditors amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	306,183	-
Net obligations under hire purchase contracts	227,114	227,400
Trade creditors	1,000,126	1,382,322
Corporation tax	54,344	37,281
Other taxes and social security costs	143,641	299,728
Directors' current accounts	267,936	241,643
Other creditors	60,744	62,330
Accruals and deferred income	6,199	14,500
	<u>2,066,287</u>	<u>2,265,204</u>

The loan is secured by a fixed and floating charge over the assets of the company

10 Creditors amounts falling due after more than one year	2012 £	2011 £
Net obligations under hire purchase contracts	<u>211,288</u>	<u>243,250</u>
Net obligations under hire purchase contracts		
Repayable within one year	227,114	227,400
Repayable between one and five years	211,288	243,250
	<u>438,402</u>	<u>470,650</u>
Included in liabilities falling due within one year	(227,114)	(227,400)
	<u>211,288</u>	<u>243,250</u>

The loan is secured by a fixed and floating charge over the assets of the company

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2011	397,938
Profit and loss account	(43,375)
Balance at 30 June 2012	<u>354,563</u>

The deferred tax liability is made up as follows.

	2012 £	2011 £
Accelerated capital allowances	<u>354,563</u>	<u>397,938</u>

12 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
200 Ordinary Shares of £1 each	200	200
2 Ordinary "B" Shares of £1 each	2	2
	<u>202</u>	<u>202</u>

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2011	3,082,386
Profit for the period	<u>119,476</u>
Balance at 30 June 2012	<u>3,201,862</u>

ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

14 Reconciliation of movements in shareholders' funds	2012 £	2011 £
Profit for the financial period	119,476	54,345
Opening shareholders' funds	3,082,588	3,028,243
Closing shareholders' funds	3,202,064	3,082,588

15 Financial commitments

At 30 June 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2013

	Other 2012 £	2011 £
Operating leases which expire		
Within one year	7,499	3,984
Between two and five years	18,674	18,612
	26,173	22,596

16 Directors' remuneration	2012 £	2011 £
Remuneration for qualifying services	470,422	593,785

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2011 - 3)

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

Remuneration for qualifying services	170,405	212,471
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ARMAC DEMOLITION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2012

17 Employees

Number of employees

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

	2012 Number	2011 Number
Directors	3	3
Staff	12	11
Direct	45	48
	<u>60</u>	<u>62</u>

Employment costs

	2012 £	2011 £
Wages and salaries	2,304,145	2,592,602
Social security costs	221,945	251,340
	<u>2,526,090</u>	<u>2,843,942</u>

18 Ultimate parent company

The ultimate parent company is McLean Estates Limited, a company registered in England and Wales

19 Related party relationships and transactions

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 £964,504

In trade creditors £(3,243)

Stonebridge Plant Limited

Sales to £94,500

In debtors £163,176

Purchases from £502,330

In trade creditors £(3,680)

Transactions with directors

Included in creditors are amounts due to Messrs M Dudley, A McLean and N McLean, all directors of the company £11,897, £129,548 and £126,491 respectively