2927607

DELAMITE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2004

AFGGESLP
A31 0500
COMPANIES HOUSE 26/05/05

DELAMITE LIMITED

COMPANY INFORMATION

Directors	D L Kingsland D Lavin
Secretary	Bondlaw Secretaries Limited
Company number	2927607
Registered office	Oceana House 39-49 Commercial Road Southampton SO15 1GA
Auditors	Tenon Audit Limited Clifton House Bunnian Place Basingstoke Hampshire RG21 7JE
Bankers	Barclays Bank Plc PO Box 60 Newport Isle of Wight PO30 1XE

DELAMITE LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

DELAMITE LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2004

The directors' present their report and financial statements for the year ended 31 July 2004.

Principal activities
The principal activity of the company continued to be that of the construction, installation and maintenance of a multiskills complex at The Isle of Wight College.

Directors
The following directors have held office since 1 August 2003:

D L Kingsland
W Grady (resigned 31.01.04)
D Lavin (appointed 31.01.04)

Directors' interests

	Ordinary shares of £1 each	
	31 July 2004	**1 August 2003**
D L Kingsland	-	-
D Lavin	-	-

Auditors
On 28th February 2005 our auditors, Blueprint Audit Limited, changed their name to Tenon Audit Limited and have signed the audit report in their new name.

Tenon Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Directors' responsibilities
Company law requires the directors' to prepare financial statements for each financial year which 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 those financial statements, the directors' are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

D Kingsland
Director

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF DELAMITE LIMITED

We have audited the financial statements of Delamite Ltd on pages 6 to 11 for the year ended 31 July 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF DELAMITE LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Tenon Audit Limited
Registered Auditor

Date: 23 May 2005

Clifton House
Bunnian Place
Basingstoke
Hampshire

DELAMITE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2004

	Notes	2004 £	2003 £
Turnover		70,000	65,833
Administrative expenses		(131,915)	(121,971)
Other operating income		7,449	7,449
Loss on ordinary activities before taxation	**2**	(54,466)	(48,689)
Tax on loss on ordinary activities	**3**	-	-
Loss on ordinary activities after taxation	**10**	(54,466)	(48,689)

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

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

DELAMITE LIMITED

BALANCE SHEET
AS AT 31 JULY 2004

	Notes	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	4		1,210,025		1,237,908
Current assets					
Debtors	5	82,722		77,826	
Cash at bank and in hand		8,784		1,125	
		91,506		78,951	
Creditors: amounts falling due within one year	6	(117,221)		(35,221)	
Net current (liabilities)/assets			(25,715)		43,730
Total assets less current liabilities			1,184,310		1,281,638
Creditors: amounts falling due after more than one year	7		(1,166,981)		(1,202,394)
Accruals and deferred income	8		(305,424)		(312,873)
Net liabilities			(288,095)		(233,629)
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account			(288,096)		(233,630)
Shareholders' deficit – equity interests			(288,095)		(233,629)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 20.May.2005

D Kingsland
Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The directors consider it appropriate to prepare the financial statements on a going concern basis due to having the full financial support of the parent company The Isle of Wight College.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

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:

Freehold Land and buildings	Over 50 years
Plant and machinery	10 - 50% Straight line

Capital work in progress is not depreciated until the work is complete.

1.5 Leasing

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

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

1.7 Capital Grants

Grants in respect of capital expenditure are credited to the profit and loss account over a period of fifty years, the estimated useful life of the relevant fixed assets. The grants shown in the balance sheet as deferred credits represent the total grants receivable to date less the amounts so far credited to income.

2 Operating Loss

	2004 £	2003 £
Operating loss is stated after charging:		
Depreciation of tangible assets	27,883	26,480
Operating lease rentals	70,500	70,500
Auditors *remuneration*	1,200	1,200
And after crediting:		
Capital grants	7,449	7,449

3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4 *Tangible fixed assets*

	Freehold Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 August 2003	1,394,154	12,376	1,406,530
Additions	-	-	-
Transferred	-	-	-
At 31 July 2004	1,394,154	12,376	1,406,530
Depreciation			
At 1 August 2003	156,246	12,376	168,622
Charge for the year	27,883	-	27,883
At 31 July 2004	184,129	12,376	196,505
Net book value			
At 31 July 2004	1,210,025	-	1,210,025
At 31 July 2003	1,237,908	-	1,237,908

5 Debtors

	2004	2003
	£	£
Amounts owed by group undertakings	82,250	77,354
Other debtors	472	472
	82,722	77,826

6 Creditors

	2004	2003
	£	£
Trade creditors	23,500	23,500
Other creditors	93,721	11,721
	117,221	35,221

7 Creditors: amounts falling due after more than one year

	2004	2003
	£	£
Other creditors	1,166,981	1,202,394

Analysis of loans

Not wholly repayable within five years other than by instalments	1,166,981	1,202,394

Loan maturity analysis

In more than five years	1,166,981	1,202,394

Other creditors represent a loan from The Isle of Wight College, which was interest free until 17 November 1995. At this date interest accrued at the rate of 8% per annum. The Isle of Wight College have again agreed to waive the interest charge for this year.

8 Accruals and deferred income

	Capital grants
	£
Balance at 1 August 2003	312,873
Amortisation in the year	(7,449)
Balance at 31 July 2004	305,424

9 Share capital

	2004	2003
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	1	1

10 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 August 2003	(233,630)
Loss for the year	(54,466)
Balance at 31 July 2004	(288,096)

11 Reconciliation of movements in shareholders' deficit

	2004	2003
	£	£
Loss for the financial year	(54,466)	(48,689)
Opening shareholders' deficit	(233,629)	(184,940)
Closing shareholders' deficit	(288,095)	(233,629)

12 Financial commitments

At 31 July 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2004	2003
	£	£
Expiry date:		
Two to five years	70,500	70,500

13 *Control*

The ultimate controlling party is The Isle of Wight College (a Further Education Corporation).

14 Related party transactions

During the year Delamite Limited received an additional loan from The Isle of Wight College. At the balance sheet date an amount of £1,166,981 was outstanding owed to The Isle of Wight College (2003: £1,202,394).

Also during the year Delamite Limited received rent from Multiskills (Isle of Wight) Limited, another subsidiary of The Isle of Wight College, amounting to £70,000 (2003: £65,833) and paid management fees of £20,000 (2003: £20,000) and rent of £70,500 (2003: £70,500) to the Isle of Wight College.