

DELAMITE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2011



DELAMITE LIMITED

COMPANY INFORMATION

Directors

D L Kingsland
D Lavin
L P Christopher

Secretary

Bondlaw Secretaries Limited

Company number

2927607

Registered office

Oceana House
39-49 Commercial Road
Southampton
SO15 1GA

Auditors

RSM Tenon Audit Limited
Vantage
Victoria Street
Basingstoke
Hampshire
RG21 3BT

Bankers

Barclays Bank Plc
PO Box 60
Newport
Isle of Wight
PO30 1XE

DELAMITE LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31-JULY 2011

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

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 2006

D L Kingsland
D Lavin
L P Christopher

Directors' interests

	Ordinary shares of £1 each	
	31 July 2011	1 August 2010
D L Kingsland	-	-
D Lavin	-	-

Auditors

RSM 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' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2011

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 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.

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

In so far as the directors are aware

- there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the board


Debbie Lavin
Director

23/11/11

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF DELAMITE LIMITED**

We have audited the financial statements of Delamite Limited for the year ended 31 July 2011 on pages 5 to 11. 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 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 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 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.

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 July 2011 and of its loss 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.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF DELAMITE 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 and the directors' report in accordance with the small companies regime



Christopher Mantel (Senior statutory auditor)
for and on behalf of

RSM Tenon Audit Limited

Statutory Auditor

Vantage

Victoria Street

Basingstoke

Hampshire RG21 3BT

Date 29/12/11

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2011

	Notes	2011 £	2010 £
Turnover		70,000	70,731
Administrative expenses		(120,733)	(120,420)
Other operating income		7,449	7,449
Loss on ordinary activities before taxation	2	(43,284)	(42,240)
Tax on loss on ordinary activities	3	-	-
Loss on ordinary activities after taxation	10	(43,284)	(42,240)

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

BALANCE SHEET
AS AT 31 JULY 2011

		2011	2010
		£	£
Fixed assets	Notes		
Tangible assets	4	1,024,519	1,052,637
Current assets			
Debtors	5	-	-
Cash at bank and in hand		196	225
		196	225
Creditors: amounts falling due within one year	6	3,822	-
Net current (liabilities)/assets		(3,626)	225
Total assets less current liabilities		1,020,893	1,052,862
Creditors: amounts falling due after more than one year	7	(1,356,133)	(1,337,369)
Deferred Capital Grants	8	(253,281)	(260,730)
Net liabilities		(588,521)	(545,237)
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		(588,522)	(545,238)
Shareholders' deficit – equity interests		(588,521)	(545,237)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board on 23/11/12

Debbie Lavin
 Director

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2011

2 Operating Loss

	2011	2010
	£	£
Operating loss is stated after charging		
Depreciation of tangible assets	28,118	28,118
Operating lease rentals	70,500	70,500
Management fees	20,000	20,000
Bank charges	29	57
Professional fees	764	424
Auditors remuneration	1,321	1,321
	<u>120,733</u>	<u>120,420</u>

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 2010	1,405,905	12,376	1,418,281
Prior Year Correction	-	-	-
Additions	-	-	-
Transferred	-	-	-
At 31 July 2011	<u>1,405,905</u>	<u>12,376</u>	<u>1,418,281</u>
Depreciation			
At 1 August 2010	353,268	12,376	365,644
Charge for the year	28,118	-	28,118
At 31 July 2011	<u>381,386</u>	<u>12,376</u>	<u>393,762</u>
Net book value			
At 31 July 2010	<u>1,052,637</u>	<u>-</u>	<u>1,052,637</u>
At 31 July 2011	<u>1,024,519</u>	<u>-</u>	<u>1,024,519</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2011

5 Debtors

	2011	2010
	£	£
Amounts owed by group undertakings	-	-
Other debtors	-	-
	<u>-</u>	<u>-</u>

6 Creditors

	2011	2010
	£	£
Trade creditors	-	-
Other creditors	3,822	-
	<u>3,822</u>	<u>-</u>

7 Creditors: amounts falling due after more than one year

	2011	2010
	£	£
Other creditors	1,356,133	1,337,369
	<u>1,356,133</u>	<u>1,337,369</u>

Analysis of loans

Not wholly repayable within five years other than by instalments

1,356,133	1,337,369
<u>1,356,133</u>	<u>1,337,369</u>

Loan maturity analysis

In more than five years

1,356,133	1,337,369
<u>1,356,133</u>	<u>1,337,369</u>

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2011

8 -Deferred Capital Grants

	£
Balance at 1 August 2010	260,730
Released to profit and loss	(7,449)
Balance at 31 July 2011	<u>253,281</u>

9 Share capital

	2011 £	2010 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2010	(545,237)
Loss for the year	(43,284)
Balance at 31 July 2011	<u>(588,521)</u>

11 Reconciliation of movements in shareholders' deficit

	2011 £	2010 £
Loss for the financial year	(43,284)	(42,240)
Opening shareholders' deficit	(545,237)	(502,997)
Closing shareholders' deficit	<u>(588,521)</u>	<u>(545,237)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2011

12 Financial commitments

At 31 July 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011	2010
	£	£
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 £1,356,133 was outstanding owed to The Isle of Wight College (2010 £1,337,369)

Also during the year Delamite Limited received rent from The Isle of Wight College, amounting to £70,731 (2010 £70,731) and paid management fees of £20,000 (2010 £20,000) and rent of £70,500 (2010 £70,500) to the Isle of Wight College