

REGISTERED NUMBER: 04492421 (England and Wales)

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011
FOR
TONROE GROUP LIMITED**

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TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

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FOR THE YEAR ENDED 30 JUNE 2011**

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TONROE GROUP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2011**

DIRECTORS: M A McDonnell
J Wild

SECRETARY: J Wild

REGISTERED OFFICE: 5 Lake End Court
Taplow Road
Taplow
MAIDENHEAD
SL6 0JQ

REGISTERED NUMBER: 04492421 (England and Wales)

**SENIOR STATUTORY
AUDITOR:** Gerald Cochran

AUDITORS: Cube Partners Limited, Statutory Auditor
5 Giffard Court
Millbrook Close
Northampton
NN5 5JF

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2011**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2011

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of construction and project management, steel fabrication and groundwork

REVIEW OF BUSINESS

Tonroe Group Limited has had an outstanding year given the difficult trading conditions with 73% of our turnover coming from repeat clients. Our reputation for delivering excellence in our sector is unrivalled and is at the heart of this strong performance.

The results for the company show a pre-tax profit of £309,182 for the year (2010 £747,779) and sales of £17,626,114 (2010 £23,270,596).

Turnover was down on the previous year and is a reflection on the average project size decreasing in value from £4.3m to £2.4m. However, in terms of the number of projects which we undertook it was an increase from the previous year which resulted in us taking on further Project Management resources.

We have seen the profitability of the business increase as we have further developed the design and build element of our business and strengthened our focus on the mechanical, electrical and process control elements of our projects which we previously sublet.

We have strengthened our infrastructure by investing in a new computing system which will increase our efficiency and give us stronger financial reporting tools to ensure our business remains under control through our business growth. We are purchasing new offices in the heart of Marlow town centre which will allow us to move to the next phase of the group's growth.

TSL Projects - Ireland

In line with our strategy for developing overseas we have opened an office in Ireland. We are already looking at four projects, one with an existing client and three for new clients. We are confident we will have commenced construction before December 2011. The company is registered in Ireland and will trade in Euros to ensure that the business remains viable given any impending currency fluctuations.

TSL Projects Team

We have continued to grow and improve the business by developing our team through an approved and ongoing Training and Development Plan. This has involved a series of strategic workshops to ensure that the business has a robust infrastructure to support the growth plans.

It is our ethos to always promote from within and we have had a number of key appointments over the year which has strengthened the Senior Management Team. As always we are proud of the people who have helped to shape our business and through their dedication and commitment continue to deliver beyond expectations.

The emphasis in our recruitment has been to develop our in-house design resource and strengthen our Environmental and Process capabilities.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2011**

Health, Safety and Environmental Considerations

We have continued to invest heavily in our training and awareness for all of our team. Safety remains at the heart of our business and we pride ourselves in ensuring that we provide a safe environment for our own teams as well as our subcontract partners and clients to work in.

We continue to implement our waste management programmes and recycling initiatives both at our own offices and at all of our construction sites.

We have recently undertaken a number of initiatives around Behavioural Health and Safety encouraging our site teams to improve safety through changing behaviours which is proving successful.

Clients Continued Support

This year has been a difficult and frustrating one for our clients as many of the projects which they were looking to undertake were put on hold or cancelled due to the economic climate. It was this which combined with reduced scope of the works being sanctioned which resulted in reduced turnover for our financial year.

We are very proud of the fact that so much of our business has come from within our existing client base and we would like to thank all of them for their continued support.

Much of our ongoing work is in the pharmaceutical sector with GSK, Reckitt Benckiser, Convatec, Fleet Laboratories, Actavis, Catalent etc. Recently, however, we have seen an increase in activity within the food sector as the raw material price increases, which were so desperately needed by food manufacturers, filter through to forward investment in the sector. We have recently undertaken work for Andros, Bowman Ingredients, Mars and Unilever and are pricing considerable work for the future.

Specialist Subcontract Partners

We have continued to develop on our strategy of working ever closer with selected specialist sub contractors who bring an added dimension of knowledge and skills to our business. We would like to thank them for their continued support and look forward to sustained growth in the future.

Future Outlook

The commercial market in construction remains extremely competitive and the group expects the remainder of 2011/12 to be a challenging year. To date the group has secured a number of high profile projects which will ensure a strong performance for the coming year whilst still remaining totally focussed on our core business.

Given the level of confirmed business for the year we are hopeful that our projections for turnover and profit will be met.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2011**

Principal Risks and Uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risk and uncertainty relates to the potential further major downturn in the UK economy. This uncertainty has resulted in some clients reviewing the capital spends even after approvals have been given and projects are underway. This is difficult to predict and control therefore we remain in constant dialogue with our clients to ensure that we are as realistic as possible with projections and quick to respond to changes in the scope and nature of our work.

We have also increasingly seen competitors choosing to price work below cost. TSL Projects Limited will not undertake work below cost as we believe that protecting our quality of service to our clients and our reputation for being honourable in business remains the key to our continued success.

Summary

Overall it has been an excellent year for the business in an extremely difficult economic time. The hard work of our team and continued delivery of outstanding projects has resulted in us achieving all our budgets with regard to turnover, gross and net profit. More importantly we have continued to build on our reputation with our clients whilst strengthening our team to facilitate our growth plans for the future.

We look forward to commencing work in Ireland and delivering a further strong performance in the UK.

DIVIDENDS

Interim dividends totalling £3430 per share were paid during the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2011 will be £343,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2010 to the date of this report.

M A McDonnell
J Wild

FINANCIAL INSTRUMENTS

The group's financial instruments comprise cash, trade debtors, trade creditors and bank overdrafts. The purpose of these financial instruments is to finance the group's trading operations.

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

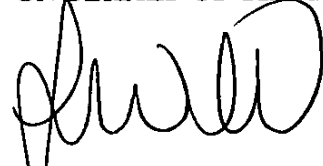
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Cube Partners Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mrs J Wild - Director

1 November 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TONROE GROUP LIMITED

We have audited the financial statements of Tonroe Group Limited for the year ended 30 June 2011 on pages eight to twenty four. 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).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page five, 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 group's and the parent 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 financial statements 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 group's and of the parent company's affairs as at 30 June 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

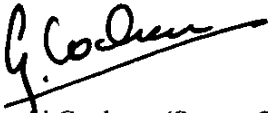
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TONROE GROUP 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Gerald Cochran (Senior Statutory Auditor)
for and on behalf of Cube Partners Limited, Statutory Auditor
5 Giffard Court
Millbrook Close
Northampton
NN5 5JF

2 November 2011

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 £	2010 £
TURNOVER		17,626,114	23,270,596
Cost of sales		16,081,417	21,667,154
GROSS PROFIT		1,544,697	1,603,442
Administrative expenses		1,221,794	1,313,685
OPERATING PROFIT	3	322,903	289,757
Profit on sale of subsidiaries		-	481,509
		322,903	771,266
Interest receivable and similar income		2	12
		322,905	771,278
Interest payable and similar charges	4	13,723	23,499
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		309,182	747,779
Tax on profit on ordinary activities	5	73,020	68,083
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		236,162	679,696

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

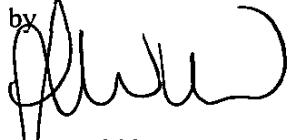
The notes form part of these financial statements

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**CONSOLIDATED BALANCE SHEET
30 JUNE 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	8	339,887	252,016
Investments	9	-	-
		<u>339,887</u>	<u>252,016</u>
CURRENT ASSETS			
Stocks	10	33,071	5,600
Debtors	11	3,229,562	3,459,237
Cash at bank and in hand		1,765,274	371,366
		<u>5,027,907</u>	<u>3,836,203</u>
CREDITORS			
Amounts falling due within one year	12	4,675,984	3,367,027
NET CURRENT ASSETS		<u>351,923</u>	<u>469,176</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>691,810</u>	<u>721,192</u>
CREDITORS			
Amounts falling due after more than one year	13	(93,909)	(29,420)
PROVISIONS FOR LIABILITIES	16	(20,298)	(7,331)
NET ASSETS		<u><u>577,603</u></u>	<u><u>684,441</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	5,000	5,000
Profit and loss account	18	572,603	679,441
SHAREHOLDERS' FUNDS	23	<u><u>577,603</u></u>	<u><u>684,441</u></u>

The financial statements were approved by the Board of Directors on 1 November 2011 and were signed on its behalf by


Mrs J Wild - Director

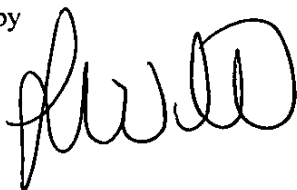
The notes form part of these financial statements

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**COMPANY BALANCE SHEET
30 JUNE 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	8	-	-
Investments	9	200	200
		<u>200</u>	<u>200</u>
CURRENT ASSETS			
Debtors	11	4,627	4,440
Cash at bank		173	360
		<u>4,800</u>	<u>4,800</u>
NET CURRENT ASSETS		<u>4,800</u>	<u>4,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,000</u>	<u>5,000</u>
CAPITAL AND RESERVES			
Called up share capital	17	5,000	5,000
SHAREHOLDERS' FUNDS	23	<u>5,000</u>	<u>5,000</u>

The financial statements were approved by the Board of Directors on 1 November 2011 and were signed on its behalf by



J Wild - Director

The notes form part of these financial statements

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 £	2010 £
Net cash inflow/(outflow) from operating activities	1	1,729,061	(522,974)
Returns on investments and servicing of finance	2	(13,721)	(23,487)
Taxation		(66,792)	(38,659)
Capital expenditure	2	(21,047)	(28,492)
Acquisitions and disposals	2	-	481,509
Equity dividends paid		(343,000)	(60,000)
		<u>1,284,501</u>	<u>(192,103)</u>
Financing	2	109,407	(307,235)
Increase/(Decrease) in cash in the period		<u>1,393,908</u>	<u>(499,338)</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		1,393,908	(499,338)
Cash outflow from decrease in debt and lease financing		<u>117,242</u>	<u>95,798</u>
Change in net funds resulting from cash flows		1,511,150	(403,540)
New finance leases		(177,695)	(42,000)
Movement in net funds in the period		<u>1,333,455</u>	<u>(445,540)</u>
Net funds at 1 July		<u>276,983</u>	<u>722,523</u>
Net funds at 30 June		<u>1,610,438</u>	<u>276,983</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	322,903	289,757
Depreciation charges	87,151	93,537
Loss on disposal of fixed assets	2,220	45,962
(Increase)/Decrease in stocks	(27,471)	10,380
Decrease/(Increase) in debtors	24,353	(777,553)
Increase/(Decrease) in creditors	1,319,905	(185,057)
Net cash inflow/(outflow) from operating activities	1,729,061	(522,974)

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	2	12
Interest paid	(456)	(10,047)
Interest element of hire purchase payments	(13,267)	(13,452)
Net cash outflow for returns on investments and servicing of finance	(13,721)	(23,487)
Capital expenditure		
Purchase of tangible fixed assets	(49,936)	(34,238)
Sale of tangible fixed assets	28,889	5,746
Net cash outflow for capital expenditure	(21,047)	(28,492)
Acquisitions and disposals		
	-	200
Net cash inflow for acquisitions and disposals	-	200
Financing		
Capital repayments in year	(95,742)	(95,798)
Amount introduced by directors	205,149	-
Amount withdrawn by directors	-	(211,437)
Net cash inflow/(outflow) from financing	109,407	(307,235)

The notes form part of these financial statements

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 7 10 £	Cash flow £	Other non-cash changes £	At 30 6 11 £
Net cash				
Cash at bank and in hand	371,366	1,393,908		1,765,274
	<u>371,366</u>	<u>1,393,908</u>		<u>1,765,274</u>
Debt				
Hire purchase	(94,383)	117,242	(177,695)	(154,836)
	<u>(94,383)</u>	<u>117,242</u>	<u>(177,695)</u>	<u>(154,836)</u>
Total	<u>276,983</u>	<u>1,511,150</u>	<u>(177,695)</u>	<u>1,610,438</u>

4 DISPOSAL OF BUSINESS

In the prior year the company disposed of its non-trading subsidiary undertakings for par value of issued share capital

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings up to 30 June 2011. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired in the year are included in the consolidated profit and loss from the date of acquisition.

Turnover

Turnover represents works performed by the Company and its subsidiary undertakings (excluding value added tax) in respect of goods and services provided in the ordinary course of business. Turnover is recognised once recoverability is deemed reasonably certain. It includes sales and all invoiced completed contracts together with the value of work certified on contracts in progress where profit can be ascertained. Retentions withheld from contract sums are assessed on a contract by contract basis and credited to the profit and loss account when recovery is considered reasonably certain. Claims and damages are credited to turnover when agreed.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 33% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

1 ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Long-term contracts

The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods. Provision is made for any losses as soon as they are foreseen.

2 STAFF COSTS

	2011 £	2010 £
Wages and salaries	2,302,612	1,891,294
Social security costs	254,770	224,178
	<u>2,557,382</u>	<u>2,115,472</u>

The average monthly number of employees during the year was as follows

	2011	2010
Construction operatives	30	41
Administration and site management	3	6
Directors	2	-
	<u>35</u>	<u>47</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

3 OPERATING PROFIT *

The operating profit is stated after charging

	2011 £	2010 £
Hire of plant and machinery	154,938	393,466
Other operating leases	92,562	99,255
Depreciation - owned assets	39,689	41,833
Depreciation - assets on hire purchase contracts	47,460	52,085
Loss on disposal of fixed assets	2,222	45,581
Auditors' remuneration	11,500	11,500
	<u>12,104</u>	<u>11,424</u>
Directors' remuneration	<u>12,104</u>	<u>11,424</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Bank interest	456	10,047
Hire purchase	13,267	13,452
	<u>13,723</u>	<u>23,499</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	60,053	66,792
Deferred tax	12,967	1,291
Tax on profit on ordinary activities	<u>73,020</u>	<u>68,083</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>309,182</u>	<u>747,779</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	86,571	209,378
Effects of		
Expenses not deductible for tax purposes	(8,968)	5,856
Profits not taxable	-	(134,823)
Timing differences between depreciation and capital allowances	(9,096)	(592)
Marginal relief	(8,454)	(9,114)
Adjustment for profits taxed at small companies rate	-	(3,913)
Current tax charge	<u>60,053</u>	<u>66,792</u>

6 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £343,000 (2010 - £60,000)

7 DIVIDENDS

	2011 £	2010 £
Interim	<u>343,000</u>	<u>60,000</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

8 TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2010	214,559	5,565	143,409	49,924	413,457
Additions	22,890	-	183,241	-	206,131
Disposals	(32,640)	-	(25,781)	-	(58,421)
At 30 June 2011	204,809	5,565	300,869	49,924	561,167
DEPRECIATION					
At 1 July 2010	76,843	4,596	45,498	34,504	161,441
Charge for year	35,546	372	43,447	7,784	87,149
Eliminated on disposal	(12,381)	-	(14,929)	-	(27,310)
At 30 June 2011	100,008	4,968	74,016	42,288	221,280
NET BOOK VALUE					
At 30 June 2011	104,801	597	226,853	7,636	339,887
At 30 June 2010	137,716	969	97,911	15,420	252,016

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

8 TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 July 2010	150,940	105,355	256,295
Additions	-	156,195	156,195
Disposals	(22,134)	(15,500)	(37,634)
Transfer to ownership	(128,806)	(31,005)	(159,811)
	<u>-</u>	<u>215,045</u>	<u>215,045</u>
At 30 June 2011	-	215,045	215,045
DEPRECIATION			
At 1 July 2010	58,759	36,229	94,988
Charge for year	12,926	34,534	47,460
Eliminated on disposal	(12,381)	(10,903)	(23,284)
Transfer to ownership	(59,304)	(16,410)	(75,714)
	<u>-</u>	<u>43,450</u>	<u>43,450</u>
At 30 June 2011	-	43,450	43,450
NET BOOK VALUE			
At 30 June 2011	<u>-</u>	<u>171,595</u>	<u>171,595</u>
At 30 June 2010	<u>92,181</u>	<u>69,126</u>	<u>161,307</u>

9 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2010 and 30 June 2011	<u>200</u>
NET BOOK VALUE	
At 30 June 2011	<u>200</u>
At 30 June 2010	<u>200</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

9 FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

TSL Projects Limited

Nature of business Construction and Project Management

	%
Class of shares	holding
Ordinary	100 00

Tonroe Steel Limited

Nature of business Steel Fabrication and Groundwork

	%
Class of shares	holding
Ordinary	100 00

10 STOCKS

	Group	
	2011	2010
	£	£
Stocks	<u>33,071</u>	<u>5,600</u>

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	2,577,762	2,158,861	-	-
Amounts owed by group undertakings	-	-	4,627	4,440
Amounts recoverable on contract	611,732	1,034,460	-	-
Other debtors	8,792	22,236	-	-
Directors' current accounts	11,890	217,039	-	-
Prepayments	19,386	26,641	-	-
	<u>3,229,562</u>	<u>3,459,237</u>	<u>4,627</u>	<u>4,440</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2011	2010
	£	£
Hire purchase contracts (see note 14)	60,927	64,963
Trade creditors	3,799,836	2,636,936
Tax	60,053	66,792
Social security and other taxes	145,160	130,029
VAT	217,639	115,729
Other creditors	71,565	26,483
Accrued expenses	320,804	326,095
	<u>4,675,984</u>	<u>3,367,027</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2011	2010
	£	£
Hire purchase contracts (see note 14)	<u>93,909</u>	<u>29,420</u>

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2011	2010
	£	£
Net obligations repayable		
Within one year	60,927	64,963
Between one and five years	93,909	29,420
	<u>154,836</u>	<u>94,383</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year

Group

	Land and buildings	
	2011	2010
	£	£
Expiring Between one and five years	<u>63,000</u>	<u>59,566</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	2011	2010
	£	£
Hire purchase contracts	<u>154,836</u>	<u>94,383</u>

Amounts due under hire purchase contracts are secured on the assets to which they relate

16 PROVISIONS FOR LIABILITIES

	Group	
	2011	2010
	£	£
Deferred tax	<u>20,298</u>	<u>7,331</u>
Group		
		Deferred tax
		£
Balance at 1 July 2010		7,331
Accelerated capital allowances		<u>12,967</u>
Balance at 30 June 2011		<u>20,298</u>

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2011 £ <u>5,000</u>	2010 £ <u>5,000</u>
5,000	Ordinary			

18 RESERVES

Group

	Profit and loss account £
At 1 July 2010	679,441
Profit for the year	236,162
Dividends	<u>(343,000)</u>
At 30 June 2011	<u>572,603</u>

Company

	Profit and loss account £
Profit for the year	343,000
Dividends	<u>(343,000)</u>
At 30 June 2011	<u>-</u>

19 CONTINGENT LIABILITIES

The group has provided its bankers with a cross guarantee in respect of any borrowings by companies within the group. The guarantee also encompasses the borrowings of former group companies and at the balance sheet date a former group company was indebted to the bank in the sum of £Nil (2010 £5,121)

TONROE GROUP LIMITED (REGISTERED NUMBER: 04492421)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2011**

20 TRANSACTIONS WITH DIRECTORS

During the year the directors have received dividends totalling £343,000 (2010 - £60,000)

During the year the directors maintained an interest free joint loan account with the company At 30 June 2011 a balance of £11,890 (2010 - £217,039) was due to the company The maximum amount due during the year was £217,039

A group company occupies a freehold property owned by the directors Rent totalling £30,000 has been charged during the year (2010 - £30,000).

21 RELATED PARTY DISCLOSURES

At 30 June 2011 the group owed £Nil (2009 - £3,315) to Barrington McDonnell Limited, a company controlled by the directors from 24 February 2010 and previously controlled by Tonroe Group Limited

22 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is deemed to be jointly the director's M A McDonnell and J Wild

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2011 £	2010 £
Profit for the financial year	236,162	679,696
Dividends	(343,000)	(60,000)
Net (reduction)/addition to shareholders' funds	(106,838)	619,696
Opening shareholders' funds	684,441	64,745
Closing shareholders' funds	577,603	684,441

Company

	2011 £	2010 £
Profit for the financial year	343,000	60,000
Dividends	(343,000)	(60,000)
Opening shareholders' funds	5,000	5,000
Closing shareholders' funds	5,000	5,000