

Report of the Directors and
Financial Statements for the Year Ended 31 August 2011
for
Finco Contracts Limited

TUESDAY



S18Z07HN

SCT

15/05/2012

#62

COMPANIES HOUSE

Finco Contracts Limited

Contents of the Financial Statements
for the Year Ended 31 August 2011

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	6
Chartered Accountants' Report	10

Finco Contracts Limited
Company Information
for the Year Ended 31 August 2011

DIRECTORS:

A McPhee
F McAleer
Mrs A McAleer

SECRETARY:

Arlene McAleer

REGISTERED OFFICE:

Langside Farm
Gateside
Beith
KA15 2LT

REGISTERED NUMBER:

SC151513 (Scotland)

ACCOUNTANTS:

Rennie Smith & Co
Chartered Accountants
1160 Tollcross Road
Glasgow
G32 8HE

Finco Contracts Limited

Report of the Directors
for the Year Ended 31 August 2011

The directors present their report with the financial statements of the company for the year ended 31 August 2011.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of asphalt surfacing contractors and consultants.

DIRECTORS

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

A McPhee
F McAleer
Mrs A McAleer

POLITICAL AND CHARITABLE CONTRIBUTIONS

Donations were made in the year of £2,323. The largest single payment was to Beith Juniors for £800.00.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Arlene McAleer - Secretary

12 March 2012

Finco Contracts Limited
Profit and Loss Account
for the Year Ended 31 August 2011

	Notes	2011 £	2010 £
TURNOVER		3,432,329	2,270,990
Cost of sales		<u>2,800,126</u>	<u>1,838,878</u>
GROSS PROFIT		632,203	432,112
Administrative expenses		<u>523,335</u>	<u>395,416</u>
OPERATING PROFIT	2	108,868	36,696
Interest payable and similar charges		<u>29,506</u>	<u>26,401</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		79,362	10,295
Tax on profit on ordinary activities	3	<u>18,013</u>	<u>17,085</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>61,349</u>	<u>(6,790)</u>

The notes form part of these financial statements

Finco Contracts Limited

Balance Sheet
31 August 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	5	876,866	590,788
CURRENT ASSETS			
Stocks		2,350	2,350
Debtors	6	744,691	576,163
Cash at bank		-	43
		<u>747,041</u>	<u>578,556</u>
CREDITORS			
Amounts falling due within one year	7	<u>976,656</u>	<u>806,681</u>
NET CURRENT LIABILITIES		<u>(229,615)</u>	<u>(228,125)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>647,251</u>	<u>362,663</u>
CREDITORS			
Amounts falling due after more than one year	8	(336,162)	(82,284)
PROVISIONS FOR LIABILITIES	10	<u>(81,053)</u>	<u>(61,692)</u>
NET ASSETS		<u><u>230,036</u></u>	<u><u>218,687</u></u>
CAPITAL AND RESERVES			
Called up share capital ¹¹		2	2
Profit and loss account ¹²		<u>230,034</u>	<u>218,685</u>
SHAREHOLDERS' FUNDS		<u><u>230,036</u></u>	<u><u>218,687</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2011.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2011 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Finco Contracts Limited

Balance Sheet - continued
31 August 2011

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 12 March 2012 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A McPhee', written in a cursive style.

A McPhee - Director

Finco Contracts Limited

Notes to the Financial Statements for the Year Ended 31 August 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

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.

Freehold property	- 4% on cost
Plant and machinery	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

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 timing differences that have originated but not reversed at the balance sheet date.

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2011	2010
	£	£
Depreciation - owned assets	61,352	51,229
Depreciation - assets on hire purchase contracts	50,392	51,678
Loss on disposal of fixed assets	26,746	-
Pension costs	13,270	13,270
	<u>135,317</u>	<u>108,400</u>
Directors' remuneration and other benefits etc	<u>135,317</u>	<u>108,400</u>

Finco Contracts Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2011

3. 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	9,778	10,535
Overprovided corporation tax in previous years	(11,126)	-
Total current tax	(1,348)	10,535
Deferred tax	19,361	6,550
Tax on profit on ordinary activities	<u>18,013</u>	<u>17,085</u>

UK corporation tax has been charged at 20.60% (2010 - 21%).

4. DIVIDENDS

	2011	2010
	£	£
Ordinary shares of £1 each		
Interim	<u>50,000</u>	<u>31,530</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2010	33,641	896,501	210,150	9,259	1,149,551
Additions	-	397,999	51,446	2,700	452,145
Disposals	-	-	(90,255)	-	(90,255)
At 31 August 2011	<u>33,641</u>	<u>1,294,500</u>	<u>171,341</u>	<u>11,959</u>	<u>1,511,441</u>
DEPRECIATION					
At 1 September 2010	7,594	415,230	130,511	5,428	558,763
Charge for year	1,346	90,228	19,190	980	111,744
Eliminated on disposal	-	-	(35,932)	-	(35,932)
At 31 August 2011	<u>8,940</u>	<u>505,458</u>	<u>113,769</u>	<u>6,408</u>	<u>634,575</u>
NET BOOK VALUE					
At 31 August 2011	<u>24,701</u>	<u>789,042</u>	<u>57,572</u>	<u>5,551</u>	<u>876,866</u>
At 31 August 2010	<u>26,047</u>	<u>481,271</u>	<u>79,639</u>	<u>3,831</u>	<u>590,788</u>

Finco Contracts Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2011

5. TANGIBLE FIXED ASSETS - continued

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 September 2010	269,300	121,275	390,575
Additions	385,000	51,446	436,446
Disposals	-	(90,255)	(90,255)
Transfer to ownership	(136,800)	-	(136,800)
At 31 August 2011	517,500	82,466	599,966
DEPRECIATION			
At 1 September 2010	54,315	48,281	102,596
Charge for year	32,863	17,529	50,392
Eliminated on disposal	-	(35,932)	(35,932)
Transfer to ownership	(33,654)	-	(33,654)
At 31 August 2011	53,524	29,878	83,402
NET BOOK VALUE			
At 31 August 2011	<u>463,976</u>	<u>52,588</u>	<u>516,564</u>
At 31 August 2010	<u>214,985</u>	<u>72,994</u>	<u>287,979</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Other debtors	<u>744,691</u>	<u>576,163</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank loans and overdrafts	189,303	210,694
Hire purchase contracts	131,432	96,511
Trade creditors	446,663	281,017
Taxation and social security	185,287	202,457
Other creditors	23,971	16,002
	976,656	806,681

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Hire purchase contracts	<u>336,162</u>	<u>82,284</u>

Finco Contracts Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2011

9. SECURED DEBTS

The following secured debts are included within creditors:

	2011 £	2010 £
Bank overdrafts	189,303	210,694
Hire purchase contracts	467,594	178,795
	<u>656,897</u>	<u>389,489</u>

The bank hold a bond and floating charge over the assets of the company.

10. PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax	<u>81,053</u>	<u>61,692</u>
		Deferred tax
		£
Balance at 1 September 2010		61,692
movement in year		<u>19,361</u>
Balance at 31 August 2011		<u>81,053</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2011 £	2010 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

12. RESERVES

	Profit and loss account £
At 1 September 2010	218,685
Profit for the year	61,349
Dividends	<u>(50,000)</u>
At 31 August 2011	<u>230,034</u>

13. ULTIMATE CONTROLLING PARTY

During the year of review, the company was ultimately controlled by Mr A McPhee and Ms A McAleer. Mr McPhee and Ms McAleer are the majority shareholders of the company.

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Finco Contracts Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Finco Contracts Limited for the year ended 31 August 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.org.uk/accountspreparationguidance>.

This report is made solely to the Board of Directors of Finco Contracts Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Finco Contracts Limited and state those matters that we have agreed to state to the Board of Directors of Finco Contracts Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.org.uk/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Finco Contracts Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Finco Contracts Limited. You consider that Finco Contracts Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Finco Contracts Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Rennie Smith & Co
Chartered Accountants
1160 Tollcross Road
Glasgow
G32 8HE

15 March 2012