

Registered number: SC239596

First Construction Limited

Report and Financial Statements

for the year ended 30 April 2011

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First Construction Limited

Company Information

Director	I A Suttie
Company number	SC239596
Registered office	1 Queens Terrace Aberdeen AB10 1XL
Auditors	Ernst & Young LLP Barony House Stoneyfield Business Park Inverness IV2 7PA

First Construction Limited

**Director's report
for the year ended 30 April 2011**

The director presents his report and the financial statements for the year ended 30 April 2011.

Principal activities

The principal activity of the company during the year was property construction contracting, management and development.

Director

The director who served during the year was:

I A Suttie

Provision of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 20 January 2012 and signed on its behalf.



I A Suttie
Director

First Construction Limited

**Statement of director's responsibilities
for the year ended 30 April 2011**

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

First Construction Limited

Independent auditors' report to the members of First Construction Limited

We have audited the financial statements of First Construction Limited for the year ended 30 April 2011, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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 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 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 director and auditors

As explained more fully in the Statement of director's responsibilities, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and 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 company's affairs as at 30 April 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

First Construction Limited

Independent auditors' report to the members of First Construction 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Director's report.

Ernst & Young LLP

Eunice McAdam (Senior statutory auditor)
for and on behalf of

Ernst & Young LLP

Statutory auditor

Inverness

Date: *26 January 2012*

First Construction Limited

**Profit and loss account
for the year ended 30 April 2011**

	<i>Note</i>	<i>2011 £</i>	<i>2010 £</i>
Turnover	1	-	372,426
Cost of sales		(98,695)	(327,112)
Gross (loss)/profit		(98,695)	45,314
Administrative expenses		(16,014)	(41,026)
Operating (loss)/profit	2	(114,709)	4,288
Interest payable and similar charges		(282,289)	(233,832)
Loss on ordinary activities before taxation		(396,998)	(229,544)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year	10	(396,998)	(229,544)

The notes on pages 7 to 11 form part of these financial statements.

First Construction Limited
Registered number: SC239596

Balance sheet
as at 30 April 2011

	<i>Note</i>	<i>£</i>	<i>2011 £</i>	<i>£</i>	<i>2010 £</i>
Fixed assets					
Tangible assets	4		118,450		119,987
Current assets					
Stocks	5	7,453,578		7,453,578	
Debtors	6	52,241		778,633	
		<u>7,505,819</u>		<u>8,232,211</u>	
Creditors: amounts falling due within one year	7	<u>(3,596,599)</u>		<u>(2,275,605)</u>	
Net current assets			3,909,220		5,956,606
Total assets less current liabilities			<u>4,027,670</u>		<u>6,076,593</u>
Creditors: amounts falling due after more than one year	8		<u>(6,627,990)</u>		<u>(8,279,915)</u>
Net liabilities			<u><u>(2,600,320)</u></u>		<u><u>(2,203,322)</u></u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10		<u>(2,600,321)</u>		<u>(2,203,323)</u>
Shareholders' deficit	11		<u><u>(2,600,320)</u></u>		<u><u>(2,203,322)</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 January 2012.



I A Suttie
Director

The notes on pages 7 to 11 form part of these financial statements.

First Construction Limited

Notes to the financial statements for the year ended 30 April 2011

1. Accounting policies

1.1 Fundamental accounting concept

The accounts have been prepared under the going concern concept on the basis that I Suttie, director, has agreed to provide financial support to the company to enable it to continue operating and to meet its liabilities as they fall due. The financial statements do not include any adjustments that would result should continuing finance cease to be made available.

1.2 Basis of preparation of financial statements

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).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Investment property	-	0%
Plant & machinery	-	20% straight line

1.5 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the director, necessary in order to give a true and fair view of the financial position of the company.

1.6 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

First Construction Limited

**Notes to the financial statements
for the year ended 30 April 2011**

2. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2011 £	2010 £
Depreciation of tangible fixed assets:		
- owned by the company	1,537	9,155
Auditors' remuneration	1,800	1,800
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2010 - £NIL).

3. Taxation

	2011 £	2010 £
UK corporation tax charge on loss for the year	-	-
	<u> </u>	<u> </u>

4. Tangible fixed assets

	<i>Freehold property</i> £	<i>Plant & machinery</i> £	<i>Total</i> £
Cost			
At 1 May 2010 and 30 April 2011	118,450	45,779	164,229
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 May 2010	-	44,242	44,242
Charge for the year	-	1,537	1,537
	<u> </u>	<u> </u>	<u> </u>
At 30 April 2011	-	45,779	45,779
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 30 April 2011	118,450	-	118,450
	<u> </u>	<u> </u>	<u> </u>
At 30 April 2010	118,450	1,537	119,987
	<u> </u>	<u> </u>	<u> </u>

The investment property was acquired during February 2008 and in the director's opinion, the purchase price reflects the open market value at the year end.

First Construction Limited

**Notes to the financial statements
for the year ended 30 April 2011**

5. Stocks

	2011 £	2010 £
Work in progress	6,373,578	6,373,578
Interest	1,080,000	1,080,000
	<u>7,453,578</u>	<u>7,453,578</u>

6. Debtors

	2011 £	2010 £
Trade debtors	52,240	735,663
VAT recoverable	-	8,737
Other debtors	-	34,232
Called up share capital not paid	1	1
	<u>52,241</u>	<u>778,633</u>

**7. Creditors:
Amounts falling due within one year**

	2011 £	2010 £
Bank overdraft	3,411,585	2,099,352
Trade creditors	66,892	114,843
Social security and other taxes	9,707	1,012
Accruals & deferred income	108,415	60,398
	<u>3,596,599</u>	<u>2,275,605</u>

There is a standard security over certain of the company's assets and a bond and floating charge over the assets of the company.

First Construction Limited

**Notes to the financial statements
for the year ended 30 April 2011**

**8. Creditors:
Amounts falling due after more than one year**

	2011 £	2010 £
Other creditors	6,627,990	8,279,915

Other creditors represent a loan advanced by I A Suttie. Interest of £184,335 (2010 - £161,014) was charged on the loan during the year at a rate of base plus 1.95% (2010 - base plus 1.725%).

9. Share capital

	2011 £	2010 £
Allotted, called up and partly paid		
1 Ordinary share of £1	1	1

10. Reserves

	<i>Profit and loss account</i> £
At 1 May 2010	(2,203,323)
Loss for the year	(396,998)
At 30 April 2011	(2,600,321)

11. Reconciliation of movement in shareholders' deficit

	2011 £	2010 £
Opening shareholders' deficit	(2,203,322)	(1,973,778)
Loss for the year	(396,998)	(229,544)
Closing shareholders' deficit	(2,600,320)	(2,203,322)

12. Related party transactions

Included in turnover is £nil (2010 - £372,426) which relates to contract costs with IDJ Properties. I A Suttie is the principle in IDJ Properties. The amount due from IDJ Properties at the year end was £33,019 (2010 - £768,683).

As a wholly owned subsidiary the company has availed itself of the exemption in the Financial Reporting Standard for Smaller Entities (effective April 2008) from disclosing related party transactions with other wholly owned group undertakings.

First Construction Limited

**Notes to the financial statements
for the year ended 30 April 2011**

13. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is First Tech Limited. Copies of the consolidated financial statements can be obtained from: First Tech Limited, 1 Queens Terrace, Aberdeen, AB10 1XL.

In the director's opinion, the company is controlled by I A Suttie.