

Malakoff Limited
ABBREVIATED ACCOUNTS
for the year ended
31 December 2011

FRIDAY



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INDEPENDENT AUDITOR'S REPORT TO MALAKOFF LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Malakoff Limited for the year ended 31 December 2011 prepared under section 396 of the Companies Act 2006.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

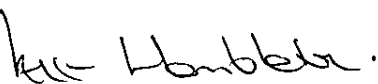
We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other matter – Prior period financial statements not audited

The company was exempt from audit in the year to 31 December 2010 and consequently the corresponding figures are unaudited.



IRENE HAMBLETON (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St. Olaf's Hall

Church Road

Lerwick

Shetland ZE1 0FD

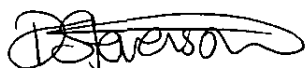
27 September 2012

MALAKOFF LIMITED
ABBREVIATED BALANCE SHEET
31 December 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS	2				
Intangible assets			2,700		4,700
Tangible assets			658,040		685,500
Investments			303		3
			<u>661,043</u>		<u>690,203</u>
CURRENT ASSETS					
Stocks		984,885		561,063	
Debtors		1,323,098		909,307	
Cash at bank and in hand		2,578		84,528	
		<u>2,310,561</u>		<u>1,554,898</u>	
CREDITORS amounts falling due within one year	3	(1,922,466)		(1,229,648)	
NET CURRENT ASSETS			<u>388,095</u>		<u>325,250</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,049,138</u>		<u>1,015,453</u>
CREDITORS amounts falling due after more than one year	4		(117,240)		(198,585)
PROVISIONS FOR LIABILITIES			(24,000)		(12,000)
GOVERNMENT GRANTS			(113,270)		(134,870)
			<u>794,628</u>		<u>669,998</u>
CAPITAL AND RESERVES					
Called up equity share capital	5		200,000		200,000
Other reserves			50,000		50,000
Profit and loss account			544,628		419,998
SHAREHOLDERS' FUNDS			<u>794,628</u>		<u>669,998</u>

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The abbreviated accounts on pages 2 to 6 were approved by the Board of Directors and authorised for issue on 21 September 2012 and are signed on their behalf by:



D Stevenson
 Director

MALAKOFF LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2011

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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).

GOING CONCERN

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. As a result they have adopted the going concern basis of accounting.

CONSOLIDATION

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The financial statements present the results of the parent company only and do not show the results of the group.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

AMORTISATION

Amortisation is calculated so as to write off the cost of an intangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 10 years
Intellectual Property	- 10 years

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 50 years
Plant & Machinery	- 3 - 5 years
Motor Vehicles	- 4 years

STOCKS

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

MALAKOFF LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2011

1 ACCOUNTING POLICIES *(continued)*

WORK IN PROGRESS

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal levels of activity. Provision is made for any foreseeable losses where appropriate. Profit is taken in to the valuation of work in progress where the outcome of the final job is known.

Contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors; to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

PENSION COSTS

The company makes contributions to private pension schemes on behalf of directors and staff. The assets of the scheme are held separately from those of the company and contributions payable are charged to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

DEFERRED GOVERNMENT GRANTS

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

MALAKOFF LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2011

2 FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Investments £	Total £
Cost				
At 1 January 2011	20,000	1,528,669	3	1,548,672
Additions	—	108,169	300	108,469
At 31 December 2011	<u>20,000</u>	<u>1,636,838</u>	<u>303</u>	<u>1,657,141</u>
Depreciation				
At 1 January 2011	15,300	843,169	—	858,469
Charge for year	2,000	135,629	—	137,629
At 31 December 2011	<u>17,300</u>	<u>978,798</u>	<u>—</u>	<u>996,098</u>
Net book value				
At 31 December 2011	<u>2,700</u>	<u>658,040</u>	<u>303</u>	<u>661,043</u>
At 31 December 2010	<u>4,700</u>	<u>685,500</u>	<u>3</u>	<u>690,203</u>

Malakoff Limited owns 100% of the ordinary share capital of Malakoff Engineering Limited. Malakoff Limited owns 30% of the ordinary share capital of ZE One Limited, a company incorporated in Scotland.

	2011 £	2010 £
Malakoff Engineering Limited:		
Aggregate capital and reserves	<u>(37,829)</u>	<u>(7,077)</u>
(Loss)/profit for the year	<u>(30,752)</u>	<u>101,297</u>

3 CREDITORS amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2011 £	2010 £
Bank loans and overdrafts	559,837	31,806
Other creditors	78,046	72,424
	<u>637,883</u>	<u>104,230</u>

Securities held over the company's assets are as follows:

1. Bond and floating charge over all the company assets,
2. Second floating charge over all the company assets,
3. Standard security over subjects at Westshore, Scalloway, Shetland.
4. Standard security over subjects at North Ness, Lerwick, Shetland.
5. Standard security over workshop, stores, pier, and shed at Westshore, Scalloway, Shetland.
6. Standard security over jetties, bulwark, pier, and slipway at North Ness, Lerwick, Shetland.

MALAKOFF LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2011

4 CREDITORS amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2011	2010
	£	£
Bank loans and overdrafts	50,325	60,355
Other creditors	27,339	105,385
	<u>77,664</u>	<u>165,740</u>

Included within creditors falling due after more than one year is an amount of £5,617 (2010 - £16,986) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

5 SHARE CAPITAL

	2011	2010
	£	£
Allotted, called up and fully paid: 200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Amounts presented in equity: 200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>