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**Abbreviated Accounts**  
**for the Year Ended 31 January 2011**  
**for**  
**Castlepoint Gas & Heating Co. Limited**

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**Castlepoint Gas & Heating Co Limited**

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for the Year Ended 31 January 2011**

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**Castlepoint Gas & Heating Co Limited**

**Company Information**  
**for the Year Ended 31 January 2011**

**DIRECTORS:**

D Wells  
K Wells  
G White  
M K Curham

**SECRETARY:**

Mrs J J Martin

**REGISTERED OFFICE:**

Hillside  
Goldfinch Lane  
Thundersley  
Benfleet  
Essex  
SS7 3LS

**REGISTERED NUMBER**

01765130

**AUDITORS:**

Michael Letch & Partners LLP  
Accountants and Statutory Auditors  
146 High Street  
Billerica  
Essex  
CM12 9DF

**Castlepoint Gas & Heating Co. Limited**

**Report of the Directors**  
**for the Year Ended 31 January 2011**

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

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of heating installation and maintenance in the gas and associated industries

**REVIEW OF BUSINESS**

The results of the company show a reduction in turnover of 21%, mainly due to the squeeze on public sector spending. There has been a reduction in gross profit achieved down from 29.06% in 2010 to 25.3% in 2011 due to an increase in the price of raw material, coupled with the more competitive quotes due to the increase in competition. This has resulted in a reduction in gross profit of £1.3 million and in turn a proportionate reduction in net profit.

The company have made efficiency savings in order to address the reduction in turnover and gross margin. These have been achieved by a reduction in the workforce, via redundancies. The company have also moved into new head offices, which they purchased from cash reserves during the year, so there will be overhead savings on rent, and other costs. The Company has also invested in making their new offices environmentally friendly and carbon neutral by the use of renewable energies, this is expected to reduce future heating bills significantly. Once fully operational the office will be used as a working example to potential customers for renewable energy ideas.

The company continues to show a strong net current asset cover over current liability in excess of 2.91:1. This represents an excess in assets over liabilities of over £3.25 million. The company has maintained a healthy cash balance of £2.8 million.

The directors predict that the company's profit and trading levels will remain similar to the current year. This will be achieved by the company continuing to tighten the control on the ordering of raw materials, together with improved labour efficiencies. In an attempt to maintain the turnover, the company are continuing to invest resources in building up expertise in other areas, i.e. electrical works and renewable energies.

The company will continue to employ apprentices during the year to maintain its high level of training. The company will also continue to offer all staff additional training, so that all staff will achieve a recognised training certificate i.e. City & Guilds etc.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 January 2011 will be £1,750,000.

**FUTURE DEVELOPMENTS**

The prospects for the longer term continue, as always, to be difficult to predict, especially in today's economic climate. The company's main customers are local authorities, therefore the company's principle risks and uncertainties are the exposure to local authority budgets for heating installation and maintenance. The Company are therefore continuing to look to expand its customer base in the electrical and domestic market to offset this risk.

The Company also recognise that there is a change in the industry and see the Company's long term growth at being at the forefront of the renewable energy markets. The Company have made investment in resources and in training in the various type of renewable energies available. As part of the Company's confidence in this future market they have made a significant positive investment in converting its new head office into a working example of the various types of renewable energies available. This will enable the Company to demonstrate these technologies, together with their environmental benefits and future cost savings to potential customers.

**DIRECTORS**

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

D Wells  
K Wells  
G White  
M K Curham

**Castlepoint Gas & Heating Co. Limited**

**Report of the Directors**  
**for the Year Ended 31 January 2011**

**COMPANY'S POLICY ON PAYMENT OF CREDITORS**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed with its suppliers, provided that all trading terms and conditions have been complied with

**FINANCIAL INSTRUMENTS**

The Company's principle financial instruments comprise of bank balances, bank overdrafts, trade debtors, trade creditors, and loans to the company. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding. The company also makes use of its large cash surplus with the use of its money market facilities

In respect of loans these comprise of loans from the directors and loans from financial institutions. The interest rate on the loans from financial institutions are variable but the monthly repayments are fixed. The company manages its liquidity risk by ensuring that there are sufficient funds to meet the payments. The loans from the directors are interest free and repayable on demand. The directors are aware of the company's required finance and have determined that these will only be repaid, in whole or in part, when finance is available

Trade debtors are managed in respect of credit and cash flow risk by the implementation of suitable credit control procedures, where receivable balances are closely monitored on an ongoing basis for both time and credit limits

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company made charitable donations totalling £10,012 during the year

Political donations amounting to £10,000 were also made to the Labour Party during the year

**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 of the profit or loss of the company 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 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 company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Castlepoint Gas & Heating Co. Limited**

**Report of the Directors**  
**for the Year Ended 31 January 2011**

**AUDITORS**

The auditors, Michael Letch & Partners LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**



D Wells - Director

Date

6TH July 2011

**Report of the Independent Auditors to**  
**Castlepoint Gas & Heating Co Limited**  
**Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages six to seventeen, together with the full financial statements of Castlepoint Gas & Heating Co Limited for the year ended 31 January 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 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.

**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 to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Michael B Letch FCCA (Senior Statutory Auditor)  
for and on behalf of Michael Letch & Partners LLP  
Accountants and Statutory Auditors  
146 High Street  
Billerica  
Essex  
CM12 9DF



Date

11/07/2011

**Castlepoint Gas & Heating Co. Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31 January 2011**

	Notes	2011 £	2010 £
<b>TURNOVER</b>		11,425,614	14,479,025
Cost of sales and other operating income		(8,534,470)	(10,270,361)
		<hr/> 2,891,144	<hr/> 4,208,664
Administrative expenses		<hr/> 1,458,743	<hr/> 1,475,775
<b>OPERATING PROFIT</b>	3	<hr/> 1,432,401	<hr/> 2,732,889
Interest receivable and similar income		<hr/> 13,174	<hr/> 205,274
		<hr/> 1,445,575	<hr/> 2,938,163
Interest payable and similar charges	4	<hr/> 9,157	<hr/> 11,920
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<hr/> 1,436,418	<hr/> 2,926,243
Tax on profit on ordinary activities	5	<hr/> 398,763	<hr/> 825,215
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<hr/> 1,037,655	<hr/> 2,101,028
Retained profit brought forward		<hr/> 4,627,932	<hr/> 4,976,904
		<hr/> 5,665,587	<hr/> 7,077,932
Dividends	6	<hr/> (1,750,000)	<hr/> (2,450,000)
<b>RETAINED PROFIT CARRIED FORWARD</b>		<hr/> <hr/> 3,915,587	<hr/> <hr/> 4,627,932

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

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

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these abbreviated accounts



**Castlepoint Gas & Heating Co. Limited**

**Abbreviated Balance Sheet**  
**31 January 2011**

	Notes	2011 £	£	2010 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		1,001,263		686,226
<b>CURRENT ASSETS</b>					
Stocks	8	14,000		15,000	
Debtors	9	2,083,179		1,737,600	
Cash at bank and in hand		2,868,445		4,891,580	
		<u>4,965,624</u>		<u>6,644,180</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	1,705,539		2,308,475	
<b>NET CURRENT ASSETS</b>			<u>3,260,085</u>		<u>4,335,705</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,261,348</u>		<u>5,021,931</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		(340,154)		(372,928)
<b>PROVISIONS FOR LIABILITIES</b>	14		<u>(5,507)</u>		<u>(20,971)</u>
<b>NET ASSETS</b>			<u><u>3,915,687</u></u>		<u><u>4,628,032</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		100		100
Profit and loss account			<u>3,915,587</u>		<u>4,627,932</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u><u>3,915,687</u></u>		<u><u>4,628,032</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on July 6th 2011 and were signed on its behalf by



M K Curham - Director



D Wells - Director

The notes form part of these abbreviated accounts

**Castlepoint Gas & Heating Co. Limited**

**Cash Flow Statement**  
**for the Year Ended 31 January 2011**

	Notes	2011 £	2010 £
<b>Net cash inflow from operating activities</b>	1	779,395	2,772,937
<b>Returns on investments and servicing of finance</b>	2	4,017	193,354
<b>Taxation</b>		(675,136)	(899,750)
<b>Capital expenditure</b>	2	(401,513)	(70,576)
<b>Equity dividends paid</b>		(1,750,000)	(2,450,000)
		(2,043,237)	(454,035)
<b>Financing</b>	2	20,102	(87,370)
<b>Decrease in cash in the period</b>		<u>(2,023,135)</u>	<u>(541,405)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Decrease in cash in the period		(2,023,135)	(541,405)
Cash outflow from decrease in debt		<u>32,429</u>	<u>34,998</u>
Change in net funds resulting from cash flows		(1,990,706)	(506,407)
<b>Movement in net funds in the period</b>		(1,990,706)	(506,407)
<b>Net funds at 1 February</b>		4,477,275	4,983,682
<b>Net funds at 31 January</b>		<u>2,486,569</u>	<u>4,477,275</u>

The notes form part of these abbreviated accounts

**Castlepoint Gas & Heating Co. Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 January 2011**

**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2011 £	2010 £
Operating profit	1,432,401	2,732,889
Depreciation charges	76,963	69,054
Loss on disposal of fixed assets	9,513	1,469
Decrease/(Increase) in stocks	1,000	(2,725)
(Increase)/Decrease in debtors	(345,579)	99,856
Decrease in creditors	(394,903)	(127,606)
<b>Net cash inflow from operating activities</b>	<b><u>779,395</u></b>	<b><u>2,772,937</u></b>

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

	2011 £	2010 £
<b>Returns on investments and servicing of finance</b>		
Interest received	13,174	205,274
Interest paid	(9,157)	(11,920)
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>4,017</u></b>	<b><u>193,354</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(401,513)	(79,176)
Sale of tangible fixed assets	-	8,600
<b>Net cash outflow for capital expenditure</b>	<b><u>(401,513)</u></b>	<b><u>(70,576)</u></b>
<b>Financing</b>		
Loan repayments in year	(32,429)	(34,998)
Amount introduced by directors	52,531	-
Amount withdrawn by directors	-	(52,372)
<b>Net cash inflow/(outflow) from financing</b>	<b><u>20,102</u></b>	<b><u>(87,370)</u></b>

The notes form part of these abbreviated accounts

**Castlepoint Gas & Heating Co. Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 January 2011**

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 2 10 £	Cash flow £	At 31 1 11 £
Net cash			
Cash at bank and in hand	4,891,580	(2,023,135)	2,868,445
	<u>4,891,580</u>	<u>(2,023,135)</u>	<u>2,868,445</u>
Debt			
Debts falling due within one year	(41,377)	(345)	(41,722)
Debts falling due after one year	(372,928)	32,774	(340,154)
	<u>(414,305)</u>	<u>32,429</u>	<u>(381,876)</u>
Total	<u>4,477,275</u>	<u>(1,990,706)</u>	<u>2,486,569</u>

The notes form part of these abbreviated accounts

**Castlepoint Gas & Heating Co Limited**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 31 January 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Turnover**

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

The whole of the turnover is attributable to the one principle activity of the company, heating installation and maintenance  
All turnover can be geographically analysed to the United Kingdom

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- Straight line over 50 years
Improvements to property	- 25% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% 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**

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 STAFF COSTS**

	2011 £	2010 £
Wages and salaries	2,632,078	3,221,556
Social security costs	264,663	366,528
Other pension costs	48,000	81,000
	<u>2,944,741</u>	<u>3,669,084</u>

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

	2011	2010
Direct labour	64	79
Administrative labour	9	11
	<u>73</u>	<u>90</u>

**Castlepoint Gas & Heating Co Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**3 OPERATING PROFIT**

The operating profit is stated after charging

	2011 £	2010 £
Hire of plant and machinery	8,252	15,741
Depreciation - owned assets	76,963	69,054
Loss on disposal of fixed assets	9,513	1,469
Auditors' remuneration	12,000	15,000
	<u>170,544</u>	<u>291,858</u>
Directors' remuneration	<u>170,544</u>	<u>291,858</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2011 £	2010 £
Bank interest	-	85
Interest on taxation	(136)	797
Mortgage interest	9,293	11,038
	<u>9,157</u>	<u>11,920</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	414,227	820,585
Deferred tax	(15,464)	4,630
Tax on profit on ordinary activities	<u>398,763</u>	<u>825,215</u>

**Castlepoint Gas & Heating Co. Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**5 TAXATION - continued**

**Factors affecting the tax charge**

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

	2011 £	2010 £
Profit on ordinary activities before tax	<u>1,436,418</u>	<u>2,926,243</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	402,197	819,348
Effects of Income & expenditure not deductible for tax purposes	3,185	3,506
Difference between depreciation and capital allowances	8,845	(2,269)
	<u>414,227</u>	<u>820,585</u>
Current tax charge	<u>414,227</u>	<u>820,585</u>

**6 DIVIDENDS**

	2011 £	2010 £
Interim	<u>1,750,000</u>	<u>2,450,000</u>

**7 TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 February 2010	520,456	-	72,342
Additions	<u>310,418</u>	<u>59,112</u>	<u>17,517</u>
At 31 January 2011	<u>830,874</u>	<u>59,112</u>	<u>89,859</u>
<b>DEPRECIATION</b>			
At 1 February 2010	23,640	-	54,231
Charge for year	9,118	14,778	8,907
Eliminated on disposal	-	-	-
At 31 January 2011	<u>32,758</u>	<u>14,778</u>	<u>63,138</u>
<b>NET BOOK VALUE</b>			
At 31 January 2011	<u>798,116</u>	<u>44,334</u>	<u>26,721</u>
At 31 January 2010	<u>496,816</u>	<u>-</u>	<u>18,111</u>

**Castlepoint Gas & Heating Co. Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**7 TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 February 2010	16,955	481,370	55,332	1,146,455
Additions	11,773	-	2,693	401,513
Disposals	(10,382)	(78,835)	-	(89,217)
At 31 January 2011	18,346	402,535	58,025	1,458,751
<b>DEPRECIATION</b>				
At 1 February 2010	14,586	323,749	44,023	460,229
Charge for year	3,236	37,333	3,591	76,963
Eliminated on disposal	(9,159)	(70,545)	-	(79,704)
At 31 January 2011	8,663	290,537	47,614	457,488
<b>NET BOOK VALUE</b>				
At 31 January 2011	9,683	111,998	10,411	1,001,263
At 31 January 2010	2,369	157,621	11,309	686,226

Included in cost of land and buildings is freehold land of £375,000 (2010 - £225,000) which is not depreciated

**8 STOCKS**

	2011 £	2010 £
Stocks	14,000	15,000

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Trade debtors	1,969,606	1,587,226
Other debtors	90,750	112,461
Prepayments and accrued income	22,823	37,913
	2,083,179	1,737,600



**Castlepoint Gas & Heating Co. Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**10 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011	2010
	£	£
Bank loans and overdrafts (see note 12)	41,722	41,377
Trade creditors	840,732	1,008,728
Tax	109,676	370,585
Social security and other taxes	274,018	332,794
Directors' loan accounts	55,987	3,456
Accrued expenses	383,404	551,535
	<u>1,705,539</u>	<u>2,308,475</u>

**11 CREDITORS. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011	2010
	£	£
Bank loans (see note 12)	<u>340,154</u>	<u>372,928</u>

**12 LOANS**

An analysis of the maturity of loans is given below

	2011	2010
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u>41,722</u>	<u>41,377</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>41,722</u>	<u>42,556</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u>125,165</u>	<u>135,084</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loan over 5 years	<u>173,267</u>	<u>195,288</u>

**Castlepoint Gas & Heating Co Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**13 SECURED DEBTS**

The following secured debts are included within creditors

	2011 £	2010 £
Bank loans	<u>381,876</u>	<u>414,305</u>

The company's bank loans, together with a paylow facility of £180,000 are secured by way of a 1st charge over the company's freehold properties and the company's business premium account held with its bankers. In addition, the bank have a personal guarantee of up to £255,000 from the managing director, Mr D Wells, together with further charges over freehold properties held by Mr D Wells.

**14 PROVISIONS FOR LIABILITIES**

	2011 £	2010 £
Deferred tax	<u>5,507</u>	<u>20,971</u>
		Deferred tax £
Balance at 1 February 2010		20,971
change in year		<u>(15,464)</u>
Balance at 31 January 2011		<u>5,507</u>

**15 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			2011	2010
Number	Class	Nominal value £1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

**Castlepoint Gas & Heating Co Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 January 2011**

**16 RELATED PARTY DISCLOSURES**

Freehold premises at 481 Church Road, Thundersley, Essex were rented to the company by Mr D Wells, until October 2010, a director and controlling shareholder, at a rent of £13,500 (2010 £18,000)

Personal guarantees totalling £255,000 (2010 £255,000) have been given by Mr D Wells to the company's bankers

Mr D Wells operates a director's loan account which is disclosed in note 10 to the accounts

During the year the company traded with Castle Point Motors Limited (CPM Limited), of which Mr K Wells, a company Director, is a Director and shareholder. During the year the company purchased goods and services from CPM Limited totalling £68,702 (2010 £104,125). As at 31 January 2011 the company owed CPM Ltd £8,849 (2010 £7,397). This amount is included within trade creditors.

CPM Limited operates from freehold premises owned by the company, at Manor Trading Estate. Rent totalling £31,320 has been paid in the year (2010 £24,000).

During previous years the company advanced funds to CPM Limited. As at 31 January 2010 CPM Limited owed the company £3,680, no balance was outstanding at 31 January 2011.

The above transactions have been carried out under normal commercial terms.

**17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	1,037,655	2,101,028
Dividends	(1,750,000)	(2,450,000)
<b>Net reduction of shareholders' funds</b>	<b>(712,345)</b>	<b>(348,972)</b>
Opening shareholders' funds	4,628,032	4,977,004
<b>Closing shareholders' funds</b>	<b>3,915,687</b>	<b>4,628,032</b>

**18 ULTIMATE CONTROLLING PARTY**

Mr D and Mrs V Wells hold the entire issued share capital of the company.