

COMPANY REGISTRATION NUMBER 02709538

**ECL CONTRACTS LIMITED**  
**FINANCIAL STATEMENTS**  
**30th SEPTEMBER 2009**



**PAGE KIRK LLP**  
 Chartered Accountants & Statutory Auditor  
 Sherwood House  
 7 Gregory Boulevard  
 Nottingham  
 NG7 6LB

# **ECL CONTRACTS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2009**

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# **ECL CONTRACTS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

I G Norris  
A W McFeat  
W P Johnston  
J C Atkin  
M J Smith  
J M Barratt  
D E Sillis  
S L Wright

**Company secretary**

S L Wright

**Registered office**

Eleven Arches House  
Leicester Road  
Rugby  
Warwickshire  
CV21 1FD

**Auditor**

Page Kirk LLP  
Chartered Accountants  
& Statutory Auditor  
Sherwood House  
7 Gregory Boulevard  
Nottingham  
NG7 6LB

**Bankers**

Bank of Scotland  
14 Friar Lane  
Leicester  
LE1 5RA

# **ECL CONTRACTS LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 30th SEPTEMBER 2009**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2009.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of external wall insulation, high performance rain-screen facades and light weight steel framing.

The directors consider the Key Performance Indicators to be Sales, Profitability and adequate funding of the business.

The company continues to concentrate on its core business as set out above and has managed to achieve a satisfactory turnover level given the challenging economic conditions during the year and specifically in the construction industry.

Despite the reduction in turnover, margins have been improved on and overheads have been managed accordingly. This has resulted in an reasonable profit being realised in an extremely challenging market. As a consequence, the balance sheet has been further strengthened and tight working capital controls have resulted in this profit being turned into cash.

The company is in a strong position to continue the development of the business and build on this year's success in 2010.

### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £393,674. Particulars of dividends paid are detailed in note 8 to the financial statements.

### **DIRECTORS**

The directors who served the company during the year were as follows:

I G Norris  
A W McFeat  
W P Johnston  
J C Atkin  
M J Smith  
J M Barratt  
D E Sillis

S L Wright was appointed as a director on 1st October 2009.

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

# ECL CONTRACTS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th SEPTEMBER 2009

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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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### AUDITOR

Page Kirk LLP have expressed their willingness to continue as auditors for the next financial year.

Registered office:  
Eleven Arches House  
Leicester Road  
Rugby  
Warwickshire  
CV21 1FD

Signed by order of the directors



S L Wright  
Company Secretary

Approved by the directors on 10th December 2009

# **ECL CONTRACTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ECL CONTRACTS LIMITED**

**YEAR ENDED 30th SEPTEMBER 2009**

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We have audited the financial statements of ECL Contracts Limited for the year ended 30th September 2009 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. 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 shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, 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 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 (APB'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 directors; and the overall presentation of the financial statements.

### **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 30th September 2009 and of its 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

# **ECL CONTRACTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ECL CONTRACTS LIMITED *(continued)***

**YEAR ENDED 30th SEPTEMBER 2009**

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### **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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Sherwood House  
7 Gregory Boulevard  
Nottingham  
NG7 6LB

10th December 2009

JOHN WALLIS (Senior Statutory  
Auditor)  
For and on behalf of  
PAGE KIRK LLP  
Chartered Accountants  
& Statutory Auditor

# ECL CONTRACTS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30th SEPTEMBER 2009

	Note	2009 £	2008 £
<b>TURNOVER</b>	<b>2</b>	<b>14,150,054</b>	<b>16,923,417</b>
Cost of sales		<b>(10,855,763)</b>	<b>(13,427,080)</b>
<b>GROSS PROFIT</b>		<b>3,294,291</b>	<b>3,496,337</b>
Administrative expenses		<b>(2,882,558)</b>	<b>(2,383,073)</b>
Other operating income		<b>96,197</b>	<b>68,594</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>507,930</b>	<b>1,181,858</b>
Interest receivable and similar income		<b>30,802</b>	<b>48,149</b>
Interest payable and similar charges	<b>6</b>	<b>—</b>	<b>(27,260)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>538,732</b>	<b>1,202,747</b>
Tax on profit on ordinary activities	<b>7</b>	<b>(145,058)</b>	<b>(227,293)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>393,674</b>	<b>975,454</b>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 19 form part of these financial statements.



# ECL CONTRACTS LIMITED

## BALANCE SHEET

30th SEPTEMBER 2009

	Note	£	2009 £	£	2008 £
<b>FIXED ASSETS</b>					
Tangible assets	9		274,796		333,324
Investments	10		<u>20,000</u>		<u>20,000</u>
			294,796		353,324
<b>CURRENT ASSETS</b>					
Debtors due within one year	11	1,903,193		3,147,284	
Debtors due after one year	11	173,657		216,364	
Cash at bank and in hand		<u>2,568,365</u>		<u>2,050,319</u>	
		4,645,215		5,413,967	
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>2,451,801</u>		<u>3,587,647</u>	
<b>NET CURRENT ASSETS</b>			<u>2,193,414</u>		<u>1,826,320</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,488,210</u>		<u>2,179,644</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	17		103,571		103,571
Share premium account	18		541,429		541,429
Capital Redemption Reserve	19		100,000		100,000
Profit and loss account	20		<u>1,743,210</u>		<u>1,434,644</u>
<b>SHAREHOLDERS' FUNDS</b>	21		<u>2,488,210</u>		<u>2,179,644</u>

These financial statements were approved by the directors and authorised for issue on 10th December 2009, and are signed on their behalf by:



I G Norris  
Director

Company Registration Number: 02709538

The notes on pages 10 to 19 form part of these financial statements.

# ECL CONTRACTS LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30th SEPTEMBER 2009

	2009	2008
	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>823,348</b>	<b>1,954,547</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	30,802	48,149
Interest paid	<u>—</u>	<u>(27,260)</u>
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>30,802</b>	<b>20,889</b>
<b>TAXATION</b>	<b>(224,874)</b>	<b>(2,744)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(29,372)	(112,520)
Receipts from sale of fixed assets	<u>3,250</u>	<u>30,875</u>
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(26,122)</b>	<b>(81,645)</b>
<b>EQUITY DIVIDENDS PAID</b>	<b>(85,108)</b>	<b>—</b>
<b>CASH INFLOW BEFORE FINANCING</b>	<b>518,046</b>	<b>1,891,047</b>
<b>FINANCING</b>		
Repayment of bank loans	<u>—</u>	<u>(376,308)</u>
<b>NET CASH OUTFLOW FROM FINANCING</b>	<b>—</b>	<b>(376,308)</b>
<b>INCREASE IN CASH</b>	<b>518,046</b>	<b>1,514,739</b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
	2009	2008
	£	£
Operating profit	507,930	1,181,858
Depreciation	87,900	79,644
Profit on disposal of fixed assets	(3,250)	(14,324)
Decrease/(increase) in debtors	722,690	(845,843)
(Decrease)/increase in creditors	<u>(491,922)</u>	<u>1,553,212</u>
Net cash inflow from operating activities	<b>823,348</b>	<b>1,954,547</b>

The notes on pages 10 to 19 form part of these financial statements.

# ECL CONTRACTS LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30th SEPTEMBER 2009

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2009 £	2008 £
Increase in cash in the period	518,046	1,514,739
Net cash outflow from bank loans	<u>—</u>	<u>376,308</u>
	<b>518,046</b>	<b>1,891,047</b>
Change in net funds	<b>518,046</b>	<b>1,891,047</b>
Net funds at 1 October 2008	<b>2,050,319</b>	<b>159,272</b>
Net funds at 30 September 2009	<b><u>2,568,365</u></b>	<b><u>2,050,319</u></b>

### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Oct 2008 £	Cash flows £	At 30 Sep 2009 £
Net cash:			
Cash in hand and at bank	<b>2,050,319</b>	<b>518,046</b>	<b>2,568,365</b>
Debt:			
Net funds	<b><u>2,050,319</u></b>	<b><u>518,046</u></b>	<b><u>2,568,365</u></b>

The notes on pages 10 to 19 form part of these financial statements.

**ECL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30th SEPTEMBER 2009**

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**1. ACCOUNTING POLICIES**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention.

The accounts present information about the individual company and not the group position (see Accounting Policy (m) below).

**(b) Cash flow statement**

These Financial Statements comply with Financial Reporting Standard No. 1 (Revised 1996) Cash Flow Statements. The Statement is produced in accordance with the indirect method.

**(c) Turnover**

Turnover represents work done in the period excluding value added tax and trade discounts and is recognised in accordance with the accounting policy for long-term contracts.

**(d) Fixed assets**

All fixed assets are initially recorded at cost.

**(e) Depreciation**

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

Leasehold Property	-	over 10 years
Fixtures & Fittings	-	15% straight line
Motor Vehicles	-	25% straight line
Computer Equipment	-	33% straight line

**(f) Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**(g) Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**(h) Deferred taxation**

The accounting policy in respect of deferred tax reflects the requirements of Financial Reporting Standard 19 - Deferred Tax. Provision is made at current rates for tax deferred in respect of all material timing differences. The company has not adopted a policy of discounting deferred tax assets and liabilities.

**(i) Foreign currencies**

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

# ECL CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2009

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### 1. ACCOUNTING POLICIES *(continued)*

#### (j) 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.

#### (k) Contract provisions

Included within trade debtors are provisions against probable claims and losses against specific contracts, where there is an element of uncertainty as to the likely outcome. The director's believe that after taking professional advice these estimates are reasonably based and prudent in character.

#### (l) Long-term contracts

The financial statements comply with Statement of Standard Accounting Practice 9 - Stocks and long-term contracts.

Stocks and work in progress are valued at the lower of cost and net realisable value.

Net realisable value is the estimated proceeds of disposal less all costs still to be incurred.

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 then recognised according to the stage reached in the contract by reference to the work done. Full provision is made for losses on all contracts in the year in which they are first foreseen. Where turnover exceeds payments on account, the excess is recorded within debtors under the heading 'amounts recoverable on contracts'. Conversely, if payments on account exceed turnover, firstly the excess is deducted from any balance within stock relating to that contract, with any residual balance being classed as creditors.

#### (m) Consolidation

In the opinion of the directors, the company and its subsidiary undertaking comprise a medium-sized group. The subsidiary undertaking, however, is dormant and is therefore not material for the purpose of giving a true and fair view. Accordingly, the company has taken advantage of Section 402 of the Companies Act 2006 not to prepare group accounts.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2009	2008
	£	£
United Kingdom	<u>14,150,054</u>	<u>16,923,417</u>

**ECL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30th SEPTEMBER 2009**

**3. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

	2009	2008
	£	£
Depreciation of owned fixed assets	87,900	79,644
Profit on disposal of fixed assets	(3,250)	(14,324)
Auditor's remuneration		
- as auditor	11,500	8,500
- for other services	2,500	2,500
Operating lease costs:		
- Plant and equipment	279,584	556,119
- Other	132,657	138,677
Net profit on foreign currency translation	<u>(2,422)</u>	<u>(2,840)</u>

**Auditor's fees**

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	2009	2008
	£	£
Audit	11,500	8,500
Accountancy	1,000	1,000
Taxation	1,500	1,500
	<u>14,000</u>	<u>11,000</u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	2009	2008
	No	No
Number of contracting staff	22	21
Number of administrative staff	19	19
	<u>41</u>	<u>40</u>

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	1,656,142	1,256,978
Social security costs	117,767	88,744
Staff pension costs	60,476	25,459
Directors pension costs	139,281	75,064
	<u>1,973,666</u>	<u>1,446,245</u>

**ECL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30th SEPTEMBER 2009**

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were:

	2009	2008
	£	£
Remuneration receivable	473,992	182,852
Value of company pension contributions to money purchase schemes	139,281	75,064
	<u>613,273</u>	<u>257,916</u>

**Remuneration of highest paid director:**

	2009	2008
	£	£
Total remuneration (excluding pension contributions)	134,041	—
Value of company pension contributions to money purchase schemes	6,150	—
	<u>140,191</u>	<u>—</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2009	2008
	No	No
Money purchase schemes	<u>7</u>	<u>6</u>

**Defined Contribution Scheme**

The company operates a defined contribution pension scheme on behalf of directors and certain staff. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge for the period was £199,757 (2008 - £100,523). Contributions outstanding at the period end were £4,560 (2008 - £nil) and are included within other creditors.

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2009	2008
	£	£
Interest payable on bank borrowing	<u>—</u>	<u>27,260</u>

**ECL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30th SEPTEMBER 2009**

**7. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2009 £	2008 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 25.20% (2008 - 27.26%)	145,449	224,874
Total current tax	145,449	224,874
Deferred tax:		
Origination and reversal of timing differences	(391)	2,419
Tax on profit on ordinary activities	145,058	227,293

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 25.20% (2008 - 27.26%).

	2009 £	2008 £
Profit on ordinary activities before taxation	538,732	1,202,747
Profit on ordinary activities by rate of tax	135,760	327,869
Expenses not deductible for tax purposes	9,337	15,496
Capital allowances for period in excess of depreciation	243	(2,426)
Losses utilised in the year	-	(114,669)
Change in deferred tax rate	109	(1,396)
Total current tax (note 7(a))	145,449	224,874

**8. DIVIDENDS**

**Equity dividends**

	2009 £	2008 £
Paid		
Equity dividends on ordinary shares	85,108	-

During the year two dividends were paid by the company. The interim dividend paid was £51,786. A final dividend was declared totalling £103,572 on which waivers were exercised over 702,500 shares resulting in £33,322 being paid. During the year total dividends paid were £85,108.



# ECL CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2009

### 9. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures and Equipment £	Motor Vehicles £	Total £
<b>COST</b>				
At 1st October 2008	316,013	181,058	140,730	637,801
Additions	–	29,372	–	29,372
Disposals	–	(35,640)	(13,350)	(48,990)
<b>At 30th September 2009</b>	<b>316,013</b>	<b>174,790</b>	<b>127,380</b>	<b>618,183</b>
<b>DEPRECIATION</b>				
At 1st October 2008	94,803	154,231	55,443	304,477
Charge for the year	31,601	24,454	31,845	87,900
On disposals	–	(35,640)	(13,350)	(48,990)
<b>At 30th September 2009</b>	<b>126,404</b>	<b>143,045</b>	<b>73,938</b>	<b>343,387</b>
<b>NET BOOK VALUE</b>				
<b>At 30th September 2009</b>	<b>189,609</b>	<b>31,745</b>	<b>53,442</b>	<b>274,796</b>
At 30th September 2008	221,210	26,827	85,287	333,324

### 10. INVESTMENTS

	Shares in Group Undertaking s £
<b>COST</b>	
At 1st October 2008 and 30th September 2009	<u>20,000</u>
<b>NET BOOK VALUE</b>	
<b>At 30th September 2009 and 30th September 2008</b>	<u>20,000</u>

The investment is represented by 100% of the issued ordinary share capital of Exterior Coatings Limited. The company was incorporated in Great Britain and was dormant throughout 2009 and 2008. The company has a year end of 30 June 2009.

Capital and reserves	2009 £	2008 £
Exterior Coatings Limited (dormant) -	20,000	20,000

Investments are recorded at cost less amounts written off because as an unlisted entity there is no readily ascertainable market value.

**ECL CONTRACTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30th SEPTEMBER 2009**

**11. DEBTORS**

	2009	2008
	£	£
Trade debtors	1,814,227	2,781,997
Amounts recoverable on contracts	202,119	530,372
Other debtors	553	4,576
Prepayments and accrued income	58,470	45,613
Deferred taxation (note 12)	1,481	1,090
	<u>2,076,850</u>	<u>3,363,648</u>

The debtors above include the following amounts falling due after more than one year:

	2009	2008
	£	£
Trade Debtors	<u>173,657</u>	<u>216,364</u>

**12. DEFERRED TAXATION**

The deferred tax included in the Balance sheet is as follows:

	2009	2008
	£	£
Included in debtors (note 11)	<u>1,481</u>	<u>1,090</u>

The movement in the deferred taxation account during the year was:

	2009
	£
Balance brought forward	1,090
Profit and loss account movement arising during the year	391
Balance carried forward	<u>1,481</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2009	2008
	£	£
Excess of depreciation over taxation allowances	<u>1,481</u>	<u>1,090</u>
	<u>1,481</u>	<u>1,090</u>

# ECL CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2009

### 13. CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Trade creditors	1,413,893	2,952,148
Amounts owed to group undertakings	20,000	20,000
Other creditors including taxation and social security:		
Corporation tax	145,449	224,874
PAYE and social security	59,855	228,901
VAT	167,813	—
Other creditors	6,328	—
	<u>379,445</u>	<u>453,775</u>
Accruals and deferred income	638,463	161,724
	<u>2,451,801</u>	<u>3,587,647</u>

The company has the availability of security through an all monies debenture dated 03/08/1992 and a legal charge dated 28/06/1996.

### 14. COMMITMENTS UNDER OPERATING LEASES

At 30th September 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	2009		2008
	Land and buildings	Other Items	Land and buildings
	£	£	£
Operating leases which expire:			
Within 1 year	-	25,426	-
Within 2 to 5 years	-	21,575	-
After more than 5 years	43,300	-	43,300
	<u>43,300</u>	<u>47,001</u>	<u>43,300</u>
			<u>52,979</u>

### 15. CONTROLLING PARTY

During the year the company was controlled by its directors.

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**16. RELATED PARTY TRANSACTIONS**

**ECL Directors Pension Fund**

ECL Directors Pension Fund is a small administered pension scheme set up for the benefit of two directors and one senior employee.

During the year:

(i) An amount of £106,577 (2008 - £43,317) has been paid into the scheme as an annual contribution. The amount outstanding at 30th September 2009 was £nil (2008 - £nil).

(ii) The property owned by ECL Directors Pension Fund was leased to ECL Contracts Limited. During the year the total rental charge was £43,300 (2008 - £43,300).

The balance outstanding at the year end due to ECL Directors Pension Fund was £nil (2008 - £nil).

(iii) During the year, the company recharged expenses to the ECL Directors Pension Fund totalling a net amount of £24,493 (2008 - £nil). The balance outstanding at the year-end was £16,031 (2008 - £nil) and is included within trade debtors.

**Boulevard Development Limited**

Boulevard Development Limited is a company owned and controlled by the employees of ECL Contracts Limited in which some of the directors have a small interest. This company is not considered associated for corporation tax purposes.

Certain directors have benefited from an Inland Revenue approved profit share scheme operated by Boulevard Development Limited.

During the year ECL Contracts Limited was charged employee costs totalling £632,481 (2008 - £372,925) on behalf of Boulevard Development Limited. At 30 September 2009 an amount of £nil (2008 - £nil) was owed to Boulevard Development Limited. The maximum amount outstanding during the period was £55,604 (2008 - £55,746).

**17. SHARE CAPITAL**

**Authorised share capital:**

	2009 £	2008 £
1,825,000 Ordinary Shares shares of £0.10 each	<u>182,500</u>	<u>182,500</u>

**Allotted, called up and fully paid:**

	2009 No	£	2008 No	£
1,035,714 Ordinary Shares shares of £0.10 each	<u>1,035,714</u>	<u>103,571</u>	<u>1,035,714</u>	<u>103,571</u>

**18. SHARE PREMIUM ACCOUNT**

There was no movement on the share premium account during the financial year.

# **ECL CONTRACTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

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### **19. CAPITAL REDEMPTION RESERVE**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Capital redemption reserve	<b><u>100,000</u></b>	<b><u>100,000</u></b>

### **20. PROFIT AND LOSS ACCOUNT**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Balance brought forward	<b>1,434,644</b>	<b>459,190</b>
Profit for the financial year	<b>393,674</b>	<b>975,454</b>
Equity dividends	<b>(85,108)</b>	<b>-</b>
Balance carried forward	<b><u>1,743,210</u></b>	<b><u>1,434,644</u></b>

### **21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>393,674</b>	<b>975,454</b>
Equity dividends	<b>(85,108)</b>	<b>-</b>
Net addition to shareholders' funds	<b>308,566</b>	<b>975,454</b>
Opening shareholders' funds	<b><u>2,179,644</u></b>	<b><u>1,204,190</u></b>
Closing shareholders' funds	<b><u>2,488,210</u></b>	<b><u>2,179,644</u></b>