

SCOMAC CATERING EQUIPMENT LIMITED
REPORT AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2011

CONTENTS

Page	1	Company information
	2	Report of the directors
	3	Independent auditors report
	4	Profit and loss account
	5	Balance sheet
	6 - 11	Notes and accounting policies

FRIDAY



A26 *A11F8Y9F* 28/09/2012 #63
COMPANIES HOUSE

SCOMAC CATERING EQUIPMENT LIMITED

COMPANY INFORMATION
YEAR ENDED 31 DECEMBER 2011

Directors.

A M Imlah
Mrs M Imlah
I P Munro
S Shepherd
M A J Street

Secretary

M A J Street

Registered office

Unitech House
Prospect Road
Burntwood
Staffordshire
WS7 0AL

Registered number

02841935

Senior statutory auditor

M H J Willcox FCCA

Statutory auditors:

Malcolm Willcox & Co
Chartered Certified Accountants
39 George Road
Edgbaston
Birmingham
B15 1PL

Solicitors

Shoosmiths
125 Colmore Row
Birmingham
B3 3SH

SCOMAC CATERING EQUIPMENT LIMITED

REPORT OF THE DIRECTORS

Result and Dividend

The profit after tax for the year ended 31 December 2011 was £399,468. A distribution of £300,000 was made during the year, and no further dividend is recommended.

Principal Activities

The company's principal activities are those of design, bespoke manufacture, distribution and maintenance of commercial catering equipment.

Business review, future developments and principal risks and uncertainties

The directors consider the result for the year and the state of the company's affairs as at the year end to be satisfactory, given the prevailing economic climate and consequent difficult trading conditions. The principal risks and uncertainties stem from the state of the economy and competition.

Directors

The directors who served throughout the year were

Mr A M Imlah
Mrs M Imlah
Mr I P Munro
Mr S Shepherd
Mr M A J Street

Taxation Status

The company is a close company under the provisions of the Taxes Act.

Directors Responsibilities

The directors are responsible for preparing financial statements for each financial year in accordance with applicable law and regulations.

The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice.

The directors are satisfied that these financial statements give a true and fair view of the state of the company's affairs at 31 December 2011 and of its profit for the year then ended.

These financial statements have been prepared on the going concern basis, using suitable accounting policies consistently applied, supported by reasonable and prudent judgements and estimates, and have complied with all applicable accounting standards.

The directors are satisfied that adequate accounting records have been maintained in order to disclose with reasonable accuracy at any time the financial position of the company, and to 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Malcolm Willcox & Co, have signified their willingness to continue in office.

Signed by



A M IMLAH
Director

27 September 2012

INDEPENDENT AUDITORS REPORT

TO THE SHAREHOLDERS OF SCOMAC CATERING EQUIPMENT LIMITED

We have audited the financial statements of ScoMac Catering Equipment Limited for the year ended 31 December 2011 on pages 4 to 11. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 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 Practice 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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 the financial statements

In our opinion the financial statements

- ☐ give a true and fair view of the state of the company's affairs as at 31 December 2011 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.

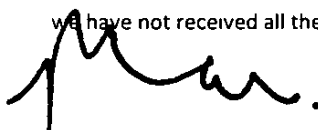
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Malcolm H J Willcox FCCA
Senior Statutory Auditor
For and on behalf of Malcolm Willcox & Co
Chartered Certified Accountants and Statutory Auditors
39 George Road
Edgbaston
Birmingham
B15 1PL

27 September 2012

SCOMAC CATERING EQUIPMENT LIMITED

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
TURNOVER	(2)	15,185,591	10,901,121
DIRECT EXPENSES		(11,365,810)	(7,944,576)
GROSS PROFIT		3,819,781	2,956,545
OPERATING EXPENSES		(3,267,606)	(2,697,567)
		552,175	258,978
OTHER OPERATING INCOME			
Grant received		-	100,000
OPERATING PROFIT		552,175	358,978
FINANCE CHARGES	(3)	(17,216)	(15,684)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	(4)	534,959	343,294
TAXATION	(5)	(135,491)	(97,983)
PROFIT AFTER TAX		399,468	245,311
BALANCE BROUGHT FORWARD		602,669	357,358
		1,002,137	602,669
DIVIDEND	(6)	(300,000)	-
BALANCE CARRIED FORWARD		702,137	602,669

Note

There were no recognized gains and losses during the year other than the profit stated above

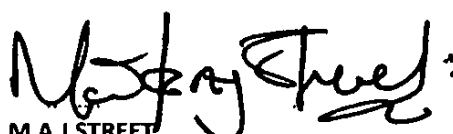
SCOMAC CATERING EQUIPMENT LIMITED

BALANCE SHEET
31 DECEMBER 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible fixed assets	(8)	411,978	427,131
CURRENT ASSETS			
Stocks	(9)	305,339	291,431
Debtors	(10)	4,424,277	3,714,592
Cash in hand		1,410	1,595
		<u>4,731,026</u>	<u>4,007,618</u>
CREDITORS - amounts falling due within one year	(11)	<u>(4,034,059)</u>	<u>(3,523,643)</u>
NET CURRENT ASSETS		696,967	483,975
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,108,945</u>	<u>911,106</u>
CREDITORS - amounts falling due after one year			
Hire purchase obligations	(17)	121,902	129,735
Unsecured loan from parent company		250,000	150,000
PROVISION FOR LIABILITIES			
Deferred taxation	(13)	<u>34,800</u>	<u>28,700</u>
		<u>(406,702)</u>	<u>(308,435)</u>
		<u>702,243</u>	<u>602,671</u>
CAPITAL AND RESERVES			
Called up share capital	(14)	106	2
Profit and loss account		<u>702,137</u>	<u>602,669</u>
		<u>702,243</u>	<u>602,671</u>

These financial statements were approved by the Board
on 27 September 2012 and signed on its behalf by


A M IMLAH
Director


M A J STREET
Director

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES

(a) **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

(b) **Turnover**

This represents the value of the goods and services supplied to customers excluding value added tax

(c) **Tangible fixed assets and depreciation**

Tangible fixed assets are depreciated on net book values at the following annual rates apart from those of low cost which are charged to revenue in the year of purchase

Motor vehicles	-	25%
Plant and equipment	-	20% to 50%

(d) **Stocks**

Raw materials and work in progress are valued at the lower of cost and net realisable value

(e) **Pension costs**

The company operates defined contribution schemes for the benefit of the employees eligible to participate. Contributions are charged annually to revenue and the assets of the pension schemes are invested externally and managed by insurance companies

(f) **Leased assets**

Tangible fixed assets financed by leasing agreements that give rights approximating to ownership ("finance leases") are capitalised, and outstanding lease instalments are shown under creditors. Depreciation on such assets, which is calculated on the above basis, and the interest element of the leasing payments are charged to revenue

(g) **Deferred taxation**

This is provided, using the liability method, at the current rate of corporation tax to take account of the potential tax liability arising from the timing differences of accelerated tax allowances on fixed assets

(h) **Grants**

Grants relating to revenue expenditure are credited to the profit and loss account in the year of receipt

(i) **Cash flow statement**

The company has taken advantage of the exemption in Financial Reporting Standard No 1 "cash flow statements" not to prepare a cash flow statement as it is consolidated in the financial statements of the parent company

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES - continued
YEAR ENDED 31 DECEMBER 2011

2 TURNOVER

Turnover is generated from continuing activities and is all attributable to the United Kingdom

	2011 £	2010 £
3 FINANCE CHARGES		
Hire purchase interest	16,820	14,988
Bank interest	396	696
	<hr/>	<hr/>
	17,216	15,684
	<hr/>	<hr/>

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

This is stated after charging/(crediting):

Depreciation	131,762	133,223
Profit on disposal of fixed assets	(2,028)	(3,499)
Directors salaries	130,000	157,500
Auditors remuneration	23,400	22,365
Hire of equipment	1,358	13,025
Government grant	-	(100,000)
	<hr/>	<hr/>

5 TAXATION

The tax charge in the profit and loss account comprises.

Current tax

<input type="checkbox"/> United Kingdom corporation tax	128,301	76,803
<input type="checkbox"/> Prior year adjustment	1,090	-
<input type="checkbox"/> Group relief surrendered	-	9,780
	<hr/>	<hr/>
	129,391	86,583

Deferred tax

<input type="checkbox"/> Origination and reversal of timing differences	6,100	11,400
	<hr/>	<hr/>
Tax on profit on ordinary activities	135,491	97,983
	<hr/>	<hr/>

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES - continued
YEAR ENDED 31 DECEMBER 2011

		2011 £	2010 £
5	TAXATION - continued		
	Factors affecting the tax charge		
	<i>The tax assessed for the year is lower than the standard rate of UK corporation tax, and the difference is explained as follows</i>		
	Profit on ordinary activities before tax	534,959	343,294
	Profit on ordinary activities multiplied by the standard rate of UK corporation tax of 26% (2010 - 28%)	139,089	96,122
	Adjusted for the effects of		
	<input type="checkbox"/> Expenses not deductible for tax purposes	859	1,799
	<input type="checkbox"/> Depreciation in excess of capital allowances	(8,153)	(11,338)
	<input type="checkbox"/> Adjustment for allowable expenses	(5,882)	-
	<input type="checkbox"/> Effect of change in rate	2,388	-
	<input type="checkbox"/> Prior year adjustment	1,090	
	Total current tax charge	129,391	86,583
6	DIVIDEND		
	Ordinary dividend	300,000	-
7	STAFF COSTS		
	Salaries and wages	2,943,033	2,340,813
	Social security costs	291,151	234,190
	Pension costs	11,783	5,954
		3,245,967	2,580,957
		Number	Number
	The average weekly number of persons employed by the company		
	Production	59	42
	Selling and distribution	35	35
	Administration and design	16	16
		110	93
	The above figures include the directors		
	Note		
	None of the directors have retirement benefits accruing under defined contribution schemes, which are based on money purchase policies		

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES - continued
YEAR ENDED 31 DECEMBER 2011

	Plant and machinery £	Office and computer equipment £	Motor vehicles £	Total £
8 TANGIBLE FIXED ASSETS				
Cost				
1 January 2011	178,301	39,244	448,026	665,571
Additions	45,598	4,959	72,324	122,881
Disposals	-	-	(11,150)	(11,150)
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2011	223,899	44,203	509,200	777,302
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
1 January 2011	55,548	27,187	155,705	238,440
Charge for year	33,670	8,500	89,592	131,762
Estimated on disposal	-	-	(4,878)	(4,878)
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2011	89,218	35,687	240,419	365,324
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
31 December 2011	134,681	8,516	268,781	411,978
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2010	122,753	12,057	292,321	427,131
	<hr/>	<hr/>	<hr/>	<hr/>

Note

Tangible fixed assets with a net book value of £268,899 are secured on hire purchase contracts, and the depreciation charged on these assets for the year was £86,361

	2011 £	2010 £
9 STOCKS		
Raw materials	129,822	99,390
Work in progress	175,517	192,041
	<hr/>	<hr/>
	305,339	291,431
	<hr/>	<hr/>
10 DEBTORS - due within one year		
Trade debtors	4,312,735	3,613,943
Other debtors	35,684	40,760
Prepaid expenses	75,858	59,889
	<hr/>	<hr/>
	4,424,277	3,714,592
	<hr/>	<hr/>

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES - continued
YEAR ENDED 31 DECEMBER 2011

		2011 £	2010 £
11	CREDITORS - due within one year		
	Bank overdraft (secured) (Note 11)	828,024	728,745
	Trade creditors	1,706,051	1,456,041
	Tax and social security	594,967	546,787
	Corporation tax	128,301	173,786
	Other creditors and accrued expenses	221,936	195,683
	Hire purchase obligations (Note 16)	96,983	134,548
	Deferred income	122,532	93,456
	Amounts owed to group undertakings	335,265	194,597
		<hr/>	<hr/>
		4,034,059	3,523,643
		<hr/>	<hr/>
12	BANK BORROWINGS		
	The bank overdraft is secured by a fixed and floating charge over all the company's assets in favour of National Westminster Bank Plc		
13	DEFERRED TAXATION		
	At 1 January 2011	28,700	17,300
	Provision transferred from the profit and loss account	6,100	11,400
		<hr/>	<hr/>
	At 31 December 2011	34,800	28,700
		<hr/>	<hr/>
14	SHARE CAPITAL		
	Issued and fully paid		
	1,059 ordinary shares of £0.10 each (2010 - £1)	106	2
		<hr/>	<hr/>
	Note		
	During the year the share capital was sub-divided into ordinary shares of 10p each, and 1,039 new ordinary shares were issued at par		
15	PENSION SCHEME		
	The company operates defined contribution schemes for the benefit of employees eligible to participate. Contributions are charged annually to revenue and for the year these amounted to £11,783 (2010 - £5,954). The assets of the pension schemes are invested externally and managed by insurance companies.		
16	MOVEMENT IN SHAREHOLDERS FUNDS		
	Opening balance on shareholders funds	602,671	357,360
	Share issue	104	-
	Profit after tax for the year	399,468	245,311
	Dividends	(300,000)	-
		<hr/>	<hr/>
	Closing balance on shareholders funds	702,243	602,671
		<hr/>	<hr/>

SCOMAC CATERING EQUIPMENT LIMITED

NOTES AND ACCOUNTING POLICIES - continued
YEAR ENDED 31 DECEMBER 2011

		2011 £	2010 £
17	HIRE PURCHASE OBLIGATIONS		
	At the year end these are repayable as follows		
	<i>Gross amounts payable</i>		
	Within one year	109,357	148,762
	Between one and five years	133,765	140,027
		<hr/>	<hr/>
		243,122	288,789
	<i>Deduct</i>		
	Finance charges allocated to future periods	(24,237)	(24,506)
		<hr/>	<hr/>
		218,885	264,283
		<hr/>	<hr/>
	<i>Analysed under creditors</i>		
	Due within one year	96,983	134,548
	Due after one year	121,902	129,735
		<hr/>	<hr/>
		218,885	264,283
		<hr/>	<hr/>
18	RELATED PARTY TRANSACTIONS		
	During the year		
	<input type="checkbox"/> A dividend of £255,000 was paid to the parent company, Unitech Industries Limited		
	<input type="checkbox"/> Rent and management and asset rental charges amounting to £202,300 were paid to the parent company		
	<input type="checkbox"/> Management charges of £71,600 were made by Unitech Engineering Ltd		
	<input type="checkbox"/> Purchases were made from fellow subsidiaries, Unitech Engineering Ltd and Corsair Engineering Limited of £131,174 and £227,291 respectively		
19	ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY		
	The ultimate parent company is Unitech Industries Limited, which is registered in England and Wales		