

CALIBRE VENTILATION LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2011



CALIBRE VENTILATION LIMITED

COMPANY INFORMATION

DIRECTORS

N Segal
D Stirzaker
F Borg
R Mallozzi
S Leather (resigned 23 June 2011)

COMPANY SECRETARY

N Segal

COMPANY NUMBER

03101082

REGISTERED OFFICE

42 Weir Road
Durnsford Industrial Estate
Wimbledon
London
SW19 8UG

AUDITORS

Wise & Co
Chartered Accountants and Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT

CALIBRE VENTILATION LIMITED

DIRECTORS' REPORT for the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

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 these financial statements, the directors are 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 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activities of the company during the year were the design and installation of ventilation systems, the installation of air conditioning systems and the fabrication of ductwork.

The company moved their premises in New Addington, to a new workshop at the Group premises in Wimbledon. Trading remained very poor in 2011, and the company was restructured in mid-2011, with the result that the company focus is back to the core business and trading in 2012 is now back in profit.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £365,352 (2010 - loss £270,262).

The directors have not recommended a dividend for the year.

DIRECTORS

The directors who served during the year were

N Segal
D Stirzaker
F Borg
R Mallozzi
S Leather (resigned 23 June 2011)

The interests of the directors in the share capital of the parent company, Calibre Group Services Limited, are disclosed in the financial statements of that company.

CALIBRE VENTILATION LIMITED

DIRECTORS' REPORT
for the year ended 31 December 2011

PROVISION OF INFORMATION TO AUDITORS

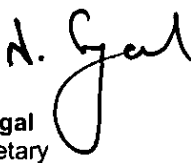
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- 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, Wise & Co, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on **2 July 2012** and signed on its behalf


N Segal
Secretary

CALIBRE VENTILATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CALIBRE VENTILATION LIMITED

We have audited the financial statements of Calibre Ventilation Limited for the year ended 31 December 2011, set out on pages 5 to 16. 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 Directors' responsibilities statement, 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 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report 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 31 December 2011 and of its loss 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.

CALIBRE VENTILATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CALIBRE VENTILATION 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

M. Dickinson

Mark Dickinson FCA (Senior statutory auditor)
for and on behalf of

Wise & Co

Chartered Accountants and Statutory Auditors

Wey Court West

Union Road

Farnham

Surrey

GU9 7PT

Date

9 July 2012

CALIBRE VENTILATION LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2011

	Note	2011 £	2010 £
TURNOVER	1,2	1,385,939	1,519,065
Cost of sales		<u>(1,171,561)</u>	<u>(1,205,739)</u>
GROSS PROFIT		214,378	313,326
Administrative expenses		<u>(579,245)</u>	<u>(587,934)</u>
OPERATING LOSS	3	(364,867)	(274,608)
Interest payable and similar charges	6	<u>(485)</u>	<u>(1,355)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(365,352)	(275,963)
Tax on loss on ordinary activities	7	<u>-</u>	<u>5,701</u>
LOSS FOR THE FINANCIAL YEAR	13	<u>(365,352)</u>	<u>(270,262)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 8 to 16 form part of these financial statements

CALIBRE VENTILATION LIMITED

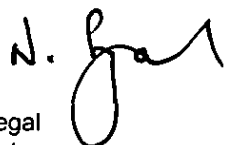
BALANCE SHEET
as at 31 December 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	8		4,683		5,849
CURRENT ASSETS					
Stocks	9	71,923		97,866	
Debtors	10	460,284		449,592	
Cash in hand		32		156	
		<u>532,239</u>		<u>547,614</u>	
CREDITORS . amounts falling due within one year	11	(866,087)		(517,276)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(333,848)</u>		<u>30,338</u>
NET (LIABILITIES)/ASSETS			<u>(329,165)</u>		<u>36,187</u>
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Profit and loss account	13		(329,265)		36,087
SHAREHOLDERS' (DEFICIT)/FUNDS	14		<u>(329,165)</u>		<u>36,187</u>

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

2 July 2012

N Segal
Director



The notes on pages 8 to 16 form part of these financial statements

CALIBRE VENTILATION LIMITED

CASH FLOW STATEMENT
for the year ended 31 December 2011

	Note	2011 £	2010 £
Net cash flow from operating activities	15	6,970	(118,967)
Returns on investments and servicing of finance	16	(485)	(1,355)
Taxation		14,624	-
Capital expenditure and financial investment	16	(2,644)	(2,049)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		18,465	(122,371)
Financing	16	-	(4,678)
INCREASE/(DECREASE) IN CASH IN THE YEAR		18,465	(127,049)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 December 2011

	2011 £	2010 £
Increase/(Decrease) in cash in the year	18,465	(127,049)
Cash outflow from decrease in debt and lease financing	-	4,678
MOVEMENT IN NET DEBT IN THE YEAR	18,465	(122,371)
Net (debt)/funds at 1 January 2011	(50,227)	72,144
NET DEBT AT 31 DECEMBER 2011	(31,762)	(50,227)

The notes on pages 8 to 16 form part of these financial statements

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2011

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 GOING CONCERN

After reviewing the company's budget for the next financial year and other longer term plans, the Directors are satisfied that, at the time of approving the accounts, it is appropriate to adopt the going concern basis in preparing the accounts. In particular we have taken into account the following

The bank overdraft is secured by a Composite Accounting Agreement with Calibre Services Group Limited, the parent company

The company undertakes forecasts and projections of trading on a regular basis. This allows the company to target performance and identify areas of focus for management

The company has a positive projection for sales in the first quarter of 2012

The company has support from Calibre Services Group Limited, the parent company

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, 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

Workshop plant & machinery	-	25% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	20% straight line
Office equipment	-	20-25% straight line

1.5 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

1 ACCOUNTING POLICIES (continued)

1.7 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2 TURNOVER

The whole of the turnover is attributable to the principal activities of the company

All turnover arose within the United Kingdom

3 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	4,860	13,633
Auditors' remuneration	5,325	5,225
Operating lease rentals		
- other operating leases	-	28,198
Directors salaries	126,865	103,240
Profit/loss on sale of tangible assets	(1,050)	-

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	422,553	387,735
Social security costs	32,780	21,323
Other pension costs	6,699	7,411
	<u>462,032</u>	<u>416,469</u>

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

	2011 No	2010 No
Administrative staff	5	1
Management staff	2	5
Production staff	3	5
	<u>10</u>	<u>11</u>

5 DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	<u>126,865</u>	<u>103,240</u>
Company pension contributions to defined contribution pension schemes	<u>5,499</u>	<u>6,211</u>

During the year retirement benefits were accruing to 3 directors (2010 - 3) in respect of defined contribution pension schemes

6 INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	485	606
On finance leases and hire purchase contracts	-	749
	<u>485</u>	<u>1,355</u>

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

7 TAXATION

	2011 £	2010 £
ANALYSIS OF TAX CHARGE/(CREDIT) IN THE YEAR		
CURRENT TAX (see note below)		
Adjustments in respect of prior periods	-	(14,624)
	<hr/>	<hr/>
DEFERRED TAX		
Origination and reversal of timing differences	-	8,923
	<hr/>	<hr/>
TAX ON LOSS ON ORDINARY ACTIVITIES	<hr/>	<hr/>
	-	(5,701)
	<hr/>	<hr/>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2010 - *higher than*) the standard rate of corporation tax in the UK of 20% (2010 - 21%) The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	(365,352)	(275,963)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2010 - 21%)	(73,070)	(57,952)

EFFECTS OF

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	92	158
Capital allowances for year in excess of depreciation	(1,315)	(69)
Utilisation of tax losses	74,293	57,653
Adjustments to tax charge in respect of prior periods	-	(14,624)
Other differences leading to an increase (decrease) in the tax charge	-	210
	<hr/>	<hr/>

CURRENT TAX CHARGE/(CREDIT) FOR THE YEAR (see note above)

-	(14,624)
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FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

8 TANGIBLE FIXED ASSETS

	Workshop plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £
COST				
At 1 January 2011	31,030	93,807	11,914	55,294
Additions	-	-	2,789	905
Disposals	-	(5,620)	(11,914)	-
At 31 December 2011	31,030	88,187	2,789	56,199
DEPRECIATION				
At 1 January 2011	29,400	92,247	11,914	52,635
Charge for the year	1,630	1,560	93	1,577
On disposals	-	(5,620)	(11,914)	-
At 31 December 2011	31,030	88,187	93	54,212
NET BOOK VALUE				
At 31 December 2011	-	-	2,696	1,987
At 31 December 2010	1,630	1,560	-	2,659

	Total £
COST	
At 1 January 2011	192,045
Additions	3,694
Disposals	(17,534)
At 31 December 2011	178,205
DEPRECIATION	
At 1 January 2011	186,196
Charge for the year	4,860
On disposals	(17,534)
At 31 December 2011	173,522
NET BOOK VALUE	
At 31 December 2011	4,683
At 31 December 2010	5,849

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

9 STOCKS

	2011 £	2010 £
Raw materials	8,580	8,779
Work in progress	63,343	89,087
	<u>71,923</u>	<u>97,866</u>

10 DEBTORS

	2011 £	2010 £
Trade debtors	448,083	417,891
Other debtors	4,101	15,824
Prepayments and accrued income	8,100	15,877
	<u>460,284</u>	<u>449,592</u>

11 CREDITORS
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank loans and overdrafts	31,794	50,383
Trade creditors	322,633	264,660
Amounts owed to group undertakings	384,104	124,956
Social security and other taxes	41,238	36,548
Other creditors	-	3,149
Accruals and deferred income	86,318	37,580
	<u>866,087</u>	<u>517,276</u>

The company has a bank overdraft facility which is repayable on demand. The security in place is a Composite Accounting Agreement between the bank and Calibre Services Group Limited, the parent company. This guarantee is supported by a legal charge over the leasehold property of the parent company.

12 SHARE CAPITAL

	2011 £	2010 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

13 RESERVES

	Profit and loss account £
At 1 January 2011	36,087
Loss for the year	(365,352)
At 31 December 2011	<u>(329,265)</u>

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	36,187	306,449
Loss for the year	(365,352)	(270,262)
Closing shareholders' (deficit)/funds	<u>(329,165)</u>	<u>36,187</u>

15 NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating loss	(364,867)	(274,608)
Depreciation of tangible fixed assets	4,860	13,633
Profit on disposal of tangible fixed assets	(1,050)	-
Decrease/(increase) in stocks	25,943	(54,617)
Increase in debtors	(25,316)	(151,004)
Decrease in amounts owed by group undertakings	-	75,271
Increase in creditors	108,252	147,402
Increase in amounts owed to group undertakings	259,148	124,956
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	<u>6,970</u>	<u>(118,967)</u>

16 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011 £	2010 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(485)	(606)
Hire purchase interest	-	(749)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(485)</u>	<u>(1,355)</u>

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

16 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2011 £	2010 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(3,694)	(2,049)
Sale of tangible fixed assets	1,050	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(2,644)</u>	<u>(2,049)</u>
	2011 £	2010 £
FINANCING		
Other new loans	-	-
	-	-
Repayment of other loans	-	-
	-	-
Repayment of finance leases	-	(4,678)

17 ANALYSIS OF CHANGES IN NET DEBT

	1 January 2011 £	Cash flow £	Other non-cash changes £	31 December 2011 £
Cash at bank and in hand	156	(124)	-	32
Bank overdraft	(50,383)	18,589	-	(31,794)
NET DEBT	<u>(50,227)</u>	<u>18,465</u>	<u>-</u>	<u>(31,762)</u>

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from the requirement to disclose details of the transactions with group companies on the grounds that the consolidated accounts for the parent company, Calibre Services Group Limited, are publicly available

These are available at the following address

42 Weir Road
Wimbledon
London
SW19 8UG

CALIBRE VENTILATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

19 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Throughout the period the company was under the control of its parent company, Calibre Services Group Limited, which is a company registered in England and Wales, and through which it was under the ultimate control of the board of directors of the company