

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010
FOR
ATLAS AIR CONDITIONING LIMITED**

Burgoyne Carey
Chartered Accountants
Pavilion 2
3 Dava Street
Broomloan Road
Glasgow
G51 2JA

ATLAS AIR CONDITIONING LIMITED

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ATLAS AIR CONDITIONING LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 JULY 2010

DIRECTORS: G Bell
S J Head

SECRETARY: G Bell

REGISTERED OFFICE: Pavilion 2
3 Dava Street
Glasgow
G51 2JA

REGISTERED NUMBER: SC145391 (Scotland)

ACCOUNTANTS: Burgoyne Carey
Chartered Accountants
Pavilion 2
3 Dava Street
Broomloan Road
Glasgow
G51 2JA

ATLAS AIR CONDITIONING LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 JULY 2010

The directors present their report with the financial statements of the company for the year ended 31 July 2010.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of air conditioning systems.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2009 to the date of this report.

G Bell
S J Head

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

G Bell - Secretary

29 October 2010

ATLAS AIR CONDITIONING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2010

	Notes	2010 £	2009 £
TURNOVER		1,723,315	2,135,644
Cost of sales		1,241,783	1,677,317
GROSS PROFIT		481,532	458,327
Administrative expenses		488,059	550,464
OPERATING LOSS	2	(6,527)	(92,137)
Interest receivable and similar income		261	3,723
		(6,266)	(88,414)
Interest payable and similar charges		183	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,449)	(88,414)
Tax on loss on ordinary activities	3	(737)	(16,683)
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(5,712)	(71,731)

The notes form part of these financial statements

ATLAS AIR CONDITIONING LIMITED

BALANCE SHEET 31 JULY 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	4	37,442	18,192
CURRENT ASSETS			
Stocks		691,038	260,285
Debtors	5	143,474	149,296
Cash at bank and in hand		280,826	297,992
		<u>1,115,338</u>	<u>707,573</u>
CREDITORS			
Amounts falling due within one year	6	827,170	380,054
NET CURRENT ASSETS		<u>288,168</u>	<u>327,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>325,610</u>	<u>345,711</u>
PROVISIONS FOR LIABILITIES	7	<u>5,591</u>	<u>980</u>
NET ASSETS		<u><u>320,019</u></u>	<u><u>344,731</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	6,000	6,000
Profit and loss account	9	314,019	338,731
SHAREHOLDERS' FUNDS		<u><u>320,019</u></u>	<u><u>344,731</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2010.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2010 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

ATLAS AIR CONDITIONING LIMITED

BALANCE SHEET - continued 31 JULY 2010

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 29 October 2010 and were signed on its behalf by:

S J Head - Director

G Bell - Director

The notes form part of these financial statements

ATLAS AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2010

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents amounts invoiced during the year net, exclusive of Value Added Tax.

Tangible fixed assets

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

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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. OPERATING LOSS

The operating loss is stated after charging:

	2010 £	2009 £
Depreciation - owned assets	12,482	6,064
Pension costs	100,000	18,194
	<u>100,000</u>	<u>18,194</u>
Directors' remuneration and other benefits etc	<u>100,000</u>	<u>150,000</u>

ATLAS AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2010

3. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2010 £	2009 £
Current tax:		
UK corporation tax	(5,348)	(16,318)
Deferred tax	4,611	(365)
Tax on loss on ordinary activities	<u>(737)</u>	<u>(16,683)</u>

Factors affecting the tax credit

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

	2010 £	2009 £
Loss on ordinary activities before tax	<u>(6,449)</u>	<u>(88,414)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 21%)	(1,354)	(18,567)
Effects of:		
Expenses disallowed	441	1,348
Accelerated capital allowances	(4,610)	365
Corporation tax rate change	175	536
Current tax credit	<u>(5,348)</u>	<u>(16,318)</u>

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 August 2009	9,452	2,447	57,601	17,524	87,024
Additions	25,532	-	5,000	1,200	31,732
At 31 July 2010	<u>34,984</u>	<u>2,447</u>	<u>62,601</u>	<u>18,724</u>	<u>118,756</u>
DEPRECIATION					
At 1 August 2009	8,243	1,414	44,606	14,569	68,832
Charge for year	6,686	258	4,499	1,039	12,482
At 31 July 2010	<u>14,929</u>	<u>1,672</u>	<u>49,105</u>	<u>15,608</u>	<u>81,314</u>
NET BOOK VALUE					
At 31 July 2010	<u>20,055</u>	<u>775</u>	<u>13,496</u>	<u>3,116</u>	<u>37,442</u>
At 31 July 2009	<u>1,209</u>	<u>1,033</u>	<u>12,995</u>	<u>2,955</u>	<u>18,192</u>

ATLAS AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2010

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade debtors	142,535	148,107
Other debtors	900	900
Prepayments	39	289
	<u>143,474</u>	<u>149,296</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Bank loans and overdrafts	233,177	90,226
Trade creditors	569,057	203,067
Tax	(5,663)	(17,918)
Social security and other taxes	15,858	43,387
VAT	9,496	32,460
Directors' current accounts	425	23,837
Accrued expenses	4,820	4,995
	<u>827,170</u>	<u>380,054</u>

7. PROVISIONS FOR LIABILITIES

	2010	2009
	£	£
Deferred tax	<u>5,591</u>	<u>980</u>
		Deferred tax
		£
Balance at 1 August 2009		980
Timing differences		<u>4,611</u>
Balance at 31 July 2010		<u>5,591</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2010	2009
Number:	Class:	Nominal value:	£	£
6,000	Ordinary shares	£1	<u>6,000</u>	<u>6,000</u>

ATLAS AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2010

9. RESERVES

	Profit and loss account £
At 1 August 2009	338,731
Deficit for the year	(5,712)
Dividends	(19,000)
	<hr/>
At 31 July 2010	<u>314,019</u>

10. RELATED PARTY DISCLOSURES

The company was under the control of Mr Bell and Mr Head throughout the current and previous year. Mr Bell and Mr Head are the majority shareholders.

As at the balance sheet date there was a balance due to the directors of £425 (2009 £23,837). No interest is charged on this balance and there are no formal repayment terms.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
ATLAS AIR CONDITIONING LIMITED**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared the financial statements of the company for the year ended 31 July 2010 on pages three to nine from the accounting records and information and explanations supplied to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the financial statements on behalf of the company's Board of Directors 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of financial statements.

You have acknowledged on the Balance Sheet as at 31 July 2010 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Burgoyne Carey
Chartered Accountants
Pavilion 2
3 Dava Street
Broomloan Road
Glasgow
G51 2JA

29 October 2010

ATLAS AIR CONDITIONING LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2010

	2010		2009	
	£	£	£	£
Sales		1,723,315		2,135,644
Cost of sales				
Opening stock	4,450		4,375	
Opening work in progress	255,835		339,342	
Purchases	1,402,466		1,176,825	
Hire of plant and machinery	12,405		7,411	
Freight and carriage	433		848	
Direct wages	215,210		200,867	
Sub contractors	42,022		207,934	
	<hr/>		<hr/>	
	1,932,821		1,937,602	
Closing stock	(5,250)		(4,450)	
Closing work in progress	(685,788)		(255,835)	
	<hr/>	1,241,783	<hr/>	1,677,317
GROSS PROFIT		481,532		458,327
Other income				
Bank interest received	241		3,723	
Interest on corporation tax	20		-	
	<hr/>	261	<hr/>	3,723
		481,793		462,050
Expenditure				
Directors' salaries	100,000		150,000	
Directors' pension contributions	100,000		18,194	
Salaries	45,086		47,876	
Employers National Insurance	36,862		42,761	
Rent	38,441		38,401	
Rates and water	14,577		15,530	
Insurance	25,721		28,185	
Light and heat	1,650		1,197	
Telephone	7,924		7,669	
Post and stationery	4,432		2,095	
Advertising	4,205		12,843	
Travelling	16,097		28,463	
Motor expenses	62,353		55,044	
Equipment repairs and renewals	922		2,196	
Computer costs	531		2,297	
Sundry expenses	2,268		1,925	
Office expenses	1,250		1,217	
Training costs	34		862	
Subscriptions	6,229		4,551	
Protective clothing	1,149		448	
Accountancy	4,500		4,500	
Legal and professional fees	1,222		(270)	
Bad debts	(888)		77,848	
Depreciation of tangible fixed assets	12,482		6,064	
	<hr/>	487,047	<hr/>	549,896
Carried forward		(5,254)		(87,846)

This page does not form part of the statutory financial statements

ATLAS AIR CONDITIONING LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2010

	2010		2009	
	£	£	£	£
Brought forward		(5,254)		(87,846)
Finance costs				
Bank charges	1,012		568	
Interest on late tax	183		-	
	<u> </u>	1,195	<u> </u>	568
NET LOSS		<u><u>(6,449)</u></u>		<u><u>(88,414)</u></u>

ATLAS AIR CONDITIONING LIMITED

**NOTES WHOLLY REPLACED
AND/OR ACCOUNTING POLICIES TOTALLY IGNORED
AND/OR ACCOUNTING POLICIES WITH TEXT REPLACED
BY USER'S CHOICE ON CLIENT SCREEN ENTRIES
FOR THE YEAR ENDED 31 JULY 2010**

No notes have been replaced completely by user entries.

None of the standard accounting policies have been ignored.

The following standard accounting policy has been REPLACED completely by user entries.

TURNOVER

PLEASE CHECK THAT THIS CHOICE IS CORRECT - all changes that would automatically be made to notes generated by IRIS as a result of posting amendments etc WILL NOT BE AMENDED where REPLACEMENT notes have been selected.