

Company No: 338492

**KIRBY MACLEAN LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2000**



**Kirby MacLean Limited**

**Directors**

Sir John Wickerson, LLB (Chairman)  
P.A. Cleaver BSc CEng MICE  
P.H. Coats CA, FCT  
D.J. O'Grady

**Secretary and Registered Office**

R. Cordeschi ACIS  
Roman House, 159 Ravenscroft Road, Beckenham, Kent BR3 4TN

**Auditors**

Moore Stephens  
Chartered Accountants  
St. Paul's House, Warwick Lane, London, EC4P 4BN

**Report of the directors**

The directors submit their report and the audited financial statements for the year ended 31 December 2000.

**Review of activities**

The company has continued its painting, contracting and decorating business.

**Profit and loss account**

The profit for the year after taxation was £84,761 (1999: £78,820). The surplus of £36,761 (1999: £34,320) remaining after deduction of the dividend for the year of £48,000 (1999: £44,500) is taken to reserves.

**Directors**

The directors holding office at the date of this report are shown above. Mr D.E. Beardsmore resigned as a director of the company on 1 January 2001.

**Interests in the group**

Sir John Wickerson, Mr. D.E. Beardsmore, Mr P.A. Cleaver and Mr. P.H. Coats were directors of the parent company, MANSELL plc, at 31 December 2000 and their interests in the group, as defined by the Companies Act 1985, are set out in the directors' report attached to the financial statements of that company for the year ended 31 December 2000.

The interest of the remaining director in the share capital of MANSELL plc at the beginning and end of the year was as follows:-

	<u>Ordinary Shares of 25p each</u>	
	<u>1 January 2000</u>	<u>31 December 2000</u>
D.J. O'Grady	18,550	18,550

**Kirby MacLean Limited**

**Report of the directors (continued)**

**Directors (continued)**

**Interest in the group (continued)**

In addition, Mr D.J. O'Grady has been granted options over the ordinary 25p shares of MANSELL plc as follows:

	<u>Share options</u>			
	At 1 January 2000	Exercised during the year	At 31 December 2000	Exercise Price
MANSELL Company Share Option Scheme The options are normally exercisable between 28 June 1999 and 28 June 2006.	25,000	-	25,000	32p

No director had any direct interest in the share capital of the company at any time during the year.

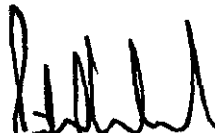
**The "Elective Regime"**

At the Annual General Meeting held on 24 November 1999, the company adopted a resolution under the terms of Section 379A, Companies Act 1985 (as amended), to take advantage of the full range of procedural relaxations permitted by that provision. Accordingly, no Annual General Meeting is to be held and the accounts will not be laid before the members.

**Auditors**

The auditors, Moore Stephens, are willing to continue in office.

By order of the board



R. CORDESCHI

Company Secretary

## **Kirby MacLean Limited**

### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which 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 1985. 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.

**Kirby MacLean Limited**

**Auditors' report**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

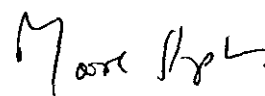
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2000 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House,  
Warwick Lane,  
London,  
EC4P 4BN.



Moore Stephens  
Registered Auditors  
Chartered Accountants

5 April 2001

**Kirby MacLean Limited**  
**Profit and loss account**  
**for the year ended 31 December 2000**

	<u>Note</u>	<u>2000</u>	<u>1999</u>
Turnover	1(b)	1,783,643	1,657,628
Cost of sales		1,404,231	1,278,324
		<hr/>	<hr/>
Gross profit		379,412	379,304
Net operating expenses	2	258,588	268,022
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	120,824	111,282
Tax on profit on ordinary activities	5	36,063	32,462
		<hr/>	<hr/>
Profit on ordinary activities after taxation		84,761	78,820
Dividends: 68.0 p per share (1999: 63.0p per share)		48,000	44,500
		<hr/>	<hr/>
Retained profit for the financial year	12	£ 36,761	£ 34,320
		<hr/>	<hr/>

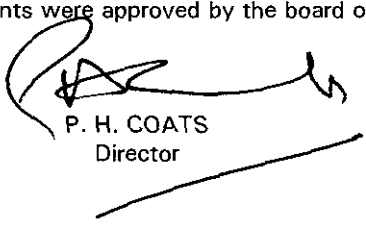
The company has no recognised gains or losses other than those included in the profit and loss account.

Kirby MacLean Limited

Balance sheet at 31 December 2000

	Note	<u>2000</u>	<u>1999</u>
<b>Tangible fixed assets</b>	6	25,208	34,886
<b>Current assets</b>			
Stocks	7	26,051	23,226
Debtors	8	526,570	493,312
Cash at bank and in hand		125,665	146,047
		678,286	662,585
<b>Creditors: amounts falling due within one year</b>	9	451,515	482,253
<b>Net current assets</b>		226,771	180,332
<b>Total assets less current liabilities</b>		<u>£ 251,979</u>	<u>£ 215,218</u>
<b>Capital and reserves</b>			
Called up equity share capital	10	70,630	70,630
Profit and loss account	11	181,349	144,588
<b>Equity shareholders' funds</b>		<u>£ 251,979</u>	<u>£ 215,218</u>

These financial statements were approved by the board on 5 April 2001

  
P. H. COATS  
Director

**Kirby MacLean Limited**

**Notes to the financial statements**

**1. Principal 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**

Turnover is the value of work executed during the year in respect of contracting together with the invoiced value of sales in respect of other activities excluding VAT.

**(c) Recognition of contract profit**

Profit on long term contracts is recognised over the life of each contract in proportion to the value of work carried out but only to the extent that the total eventual profit on the contract can be foreseen with reasonable certainty. Losses are provided for as soon as foreseen.

**(d) Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation calculated to write off the cost over the estimated useful life using the following rates.

Plant and equipment	-	25% on cost
Motor vehicles	-	20% on cost
Office furniture and fixtures	-	25% on cost

**(e) Stocks and long term contracts**

Stocks and work in progress are stated at the lower of net realisable value or cost including attributable overheads where appropriate. Long term contracts are stated at cost, net of amounts transferred to cost of sales, after deducting provision for foreseeable losses and payments on account. Where turnover differs from invoiced progress payments the balance is included in debtors or creditors as appropriate.

**(f) Deferred taxation**

Provision for deferred taxation is made except where it can be shown that the taxation deferred will not be payable in the foreseeable future



**Kirby MacLean Limited**

**Notes to the financial statements**

	<u>2000</u>	<u>1999</u>
<b>2. Net operating expenses</b>		
Administrative expenses	260,880	275,778
Less: other operating income – interest receivable	(2,292)	(7,756)
	<hr/>	<hr/>
	£ 258,588	£ 268,022
	<hr/>	<hr/>
<b>3. Profit on ordinary activities before taxation</b>		
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets	11,873	11,484
Auditors' remuneration	6,000	6,000
	<hr/>	<hr/>
<b>4. Directors and employees</b>		
Staff costs during the year were as follows:		
Wages and salaries	470,750	487,574
Social Security costs	47,036	40,108
Other pension costs	19,163	14,452
	<hr/>	<hr/>
	£ 536,949	£ 542,134
	<hr/>	<hr/>

The weekly average number of persons employed by the company during the year was 27 (1999: 28).

Staff costs include the following emoluments in respect of directors of the company:

For management services	£ 62,557	£ 68,924
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Retirement benefits are accruing to one director under a defined benefits scheme.

Kirby MacLean Limited

Notes to the financial statements

5.

**Tax on profit on ordinary activities**

2000

1999

Corporation tax payable based on the profits for the year  
as adjusted for taxation purposes at a rate of 30.0%  
(1999: 30.25%)

37,200

34,500

Over provision in prior year

(1,137)

(2,038)

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£ 36,063

£ 32,462

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6.

**Tangible fixed assets**

Plant and  
Equipment

Motor  
Vehicles

Office  
Furniture  
and Fixtures

Total

**Cost**

At 1 January 2000

12,569

50,421

36,650

99,640

Additions

1,145

-

1,050

2,195

Disposals

-

-

(7,428)

(7,428)

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At 31 December 2000

13,714

50,421

30,272

94,407

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**Depreciation**

At 1 January 2000

9,312

21,117

34,325

64,754

Charge for the year

1,395

9,016

1,462

11,873

On disposals

-

-

(7,428)

(7,428)

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At 31 December 2000

10,707

30,133

28,359

69,199

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**Net Book value**

At 31 December 2000

£ 3,007

£ 20,288

£ 1,913

£ 25,208

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At 31 December 1999

£ 3,257

£ 29,304

£ 2,325

£ 34,886

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**Kirby MacLean Limited**

**Notes to the financial statements**

<b>7. Stocks</b>	<u>2000</u>	<u>1999</u>
Loose tools and materials	£26,051	£23,226
	<u>                    </u>	<u>                    </u>
<b>8. Debtors</b>		
All amounts fall due within one year		
Trade debtors	174,361	250,204
Amounts recoverable on contracts	343,054	238,790
Other debtors	4,475	391
Prepayments and accrued income	4,680	3,927
	<u>                    </u>	<u>                    </u>
	£ 526,570	£ 493,312
	<u>                    </u>	<u>                    </u>
<b>9. Creditors: amounts falling due with one year</b>		
Owed to group companies	31,861	19,784
Trade creditors	304,538	331,461
Other taxation and social security	54,214	69,837
Other creditors	136	1,528
Accruals and deferred income	35,566	24,913
Corporation tax	25,200	34,730
	<u>                    </u>	<u>                    </u>
	£ 451,515	£ 482,253
	<u>                    </u>	<u>                    </u>
<b>10. Called up equity share capital</b>		
Ordinary equity shares of £1 each		
Authorised	£ 100,000	£ 100,000
	<u>                    </u>	<u>                    </u>
Allotted, called up and fully paid	£ 70,630	£ 70,630
	<u>                    </u>	<u>                    </u>

All shares rank equally in respect of all shareholder rights.

# Kirby MacLean Limited

## Notes to the financial statements

<b>11. Reserves</b>		<u>Profit and Loss account</u>
At 1 January 2000		144,588
Retained profit for the financial year		36,761
		<hr/>
At 31 December 2000		£ 181,349
		<hr/>
<b>12. Reconciliation of movements in equity shareholders funds</b>	<u>2000</u>	<u>1999</u>
Profit on ordinary activities after taxation	84,761	78,820
Dividend	(48,000)	(44,500)
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Retained profit for the financial year	36,761	34,320
Opening equity shareholders' funds	215,218	180,898
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Closing equity shareholders' funds	£ 251,979	£ 215,218
	<hr/>	<hr/>

### 13. Pension arrangements

The company participates in a group scheme, which operates a funded pension scheme with defined benefits. In general all full time employees over the age of 21 can join the scheme. They have the option of either being non-contributory members or contributing 5% of pensionable earnings in return for enhanced benefits. The assets of the scheme are held separately from those of the group in independently administered funds.

The most recent independent actuarial valuation of the scheme was carried out at 31 July 1999 and used the projected unit method. The key financial assumptions adopted were:

Investment returns before retirement	7.25% p.a.
Investment returns after retirement	5.75% p.a.
General pensionable earnings increases	4.5% p.a.
Pension increases	
Pension accrued before 6 April 1997	3% p.a.
Pension accrued after 5 April 1997	3.4% p.a.
Price inflation	3% p.a.

The valuation showed that the market value of the scheme's assets was £28.2 million and that the actuarial value of those assets represented 98% of the benefits that had been accrued to members on an ongoing funding basis. The scheme's assets represented 105% of the benefits that had accrued to members on the government's statutory Minimum Funding Requirements (MFR) basis.

In accordance with actuarial advice, the company increased its contributions to the scheme from the rate of 10% to 11% of members' pensionable salaries with effect from 1 July 2000.

The pension charge for the year ending 31 December 2000 was £19,163 (1999: £14,452).

**Kirby MacLean Limited**

**Notes to the financial statements**

**14. Parent undertakings**

The immediate parent undertaking is MANSELL Maintenance Services Limited. The ultimate parent undertaking is MANSELL plc which is incorporated in Great Britain. Copies of the group accounts may be obtained from the Company Secretary, MANSELL plc, Roman House, Grant Road, Croydon CR9 6BU.