

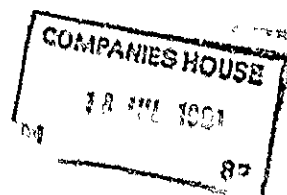
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MACLE STEPHENS

KIRBY MACLEAN LIMITED

REPORT AND FINANCIAL STATEMENTS

30th DECEMBER 1990



Kirby MacLean Limited**Directors**

B.J. Adams, FCIOB, MBIM, F.Inst.D (Chairman)
 R.B. Pillings (Joint Managing Director)
 R.B. Adcock, FCIOB, FASI (Joint Managing Director)
 D.J. O'Grady

Secretary and Registered Office

P.E. Pordage, BA, FCCA, ACIS
 Pembroke 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 30th December 1990.

Review of Activities

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

Profit and Loss Account

The loss for the year, after taxation, amounted to £21,897 which is to be deducted from profits retained in the business.

The directors do not recommend the payment of a dividend for the year.

Directors**Interests in the Group**

Mr. B.J. Adams and Mr. R.B. Adcock are directors of the parent company, R. Mansell Limited, 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 30th December 1990.

The interests of the remaining directors in the share capital of R. Mansell Limited at the beginning and end of the year were as follows:-

	<u>30.12.90</u>		<u>31.12.89</u>	
	Shares of 25p each		Shares of 25p each	
	<u>Ordinary</u>	<u>Pref. Ord.</u>	<u>Ordinary</u>	<u>Pref. Ord.</u>
R. B. Pillings	10,039	-	10,000	-
D. J. O'Grady	10,039	-	10,000	-

Kirby MacLean Limited
Report of the Directors (continued)

Directors (continued)

Board Changes

Mr. G. Liddiard retired on 29th October 1990.

Retirement of Directors

In accordance with the Articles of Association, Mr. R. B. Pillings and Mr. R. B. Adcock will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Auditors

The auditors, Moore Stephens, are willing to continue in office. A resolution for their re-appointment and authorising the directors to fix their remuneration will be submitted to the Annual General Meeting.

By Order of the Board

PETER E. PORDAGE

Secretary

11th April 1991

Kirby MacLean Limited
 Profit and Loss Account
 For the year ended 30th December 1990

	<u>Note</u>	<u>1990</u>	<u>1989</u>
Turnover	1(c)	3,254,646	1,702,675
Cost of sales		2,721,127	1,347,840
Gross Profit		533,519	354,835
Net operating expenses	2	530,509	300,241
Operating Profit	3	3,010	54,594
Interest payable and similar charges	5	27,170	13,700
Loss on ordinary activities before taxation		(24,160)	40,894
Taxation on loss on ordinary activities	6	(2,263)	16,949
Retained loss for the Financial Year	13	£ (21,897)	£ 23,945

Kirby MacLean Limited

Balance Sheet at 30th December 1990

	<u>Note</u>	<u>30.12.90</u>	<u>31.12.89</u>
Tangible Fixed Assets	7	97,881	78,169
Current Assets			
Stocks	8	16,957	13,688
Debtors	9	623,712	430,807
Cash at bank and in hand		469	770
		641,138	445,265
Creditors, amounts falling due within one year	10	567,425	330,899
Net Current Assets		73,713	114,366
Total Assets less Current Liabilities		171,594	192,535
Provisions for Liabilities and Charges	11	2,851	1,895
		£ 168,743	£ 190,640
Capital and Reserves			
Called up share capital	12	70,630	70,630
Profit and loss account	13	98,113	120,010
		£ 168,743	£ 190,640

These financial statements were approved by the Board on 11th April 1991

B.J. ADAMS

R.B. ADCOCK

) Directors

Report of the Auditors to the Members of
Kirby MacLean Limited

We have audited the financial statements on pages 3 to 10 in accordance with auditing standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30th December 1990 and of the loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House,
London, EC4P 4BN.
11th April 1991

MOORE STEPHENS
Chartered Accountants

Kirby MacLean Limited

Statement of Source and Application of Funds
For the year ended 30th December 1990

Source of Funds	<u>1990</u>	<u>1989</u>
From Operations		
Loss on ordinary activities before taxation	(24,160)	40,894
Adjustments for items not involving the movement of funds		
Depreciation	34,600	24,661
Loss on disposal of fixed assets	1,073	(2,920)
	<u>35,673</u>	<u>21,741</u>
	11,513	62,635
From other sources		
Disposal of tangible fixed assets	6,937	5,921
	<u>18,450</u>	<u>68,556</u>
Application of Funds		
Expenditure on tangible fixed assets	62,322	44,557
Corporation tax paid	18,319	42,107
	<u>80,641</u>	<u>86,664</u>
Decrease In Net Funds	<u>£ (62,191)</u>	<u>£ (18,108)</u>
Represented by Movements In:--		
Stocks	3,269	5,873
Debtors	190,105	92,838
Creditors	(68,534)	1,766
	<u>124,840</u>	<u>100,477</u>
Decrease in net liquid funds:		
Bank balances and cash	(301)	(30,619)
Bank overdraft	(186,730)	(87,966)
	<u>£ (62,191)</u>	<u>£ (18,108)</u>

Kirby MacLean Limited

Notes to the Financial Statements - 30th December 1990

1. Principal Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, in compliance with current statements of standard accounting practice.

(b) Accounting Date

For management control purposes the year is divided into three four-month periods, which end on the Sunday before the first Wednesday in the following month, and the annual financial statements are drawn to coincide.

(c) 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 Value Added Tax.

(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	-	20% on cost

(e) Stocks

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.

2. Net Operating Expenses

	<u>1990</u>	<u>1989</u>
Administrative expenses	530,636	304,931
<u>Less: Other operating income</u>	<u>127</u>	<u>4,690</u>
	<u>£ 530,509</u>	<u>£ 300,241</u>

Kirby MacLean Limited

Notes to the Financial Statements - 30th December 1990 (continued)

3. Operating Profit

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Operating profit is stated after charging:-

Depreciation of tangible fixed assets	34,600	24,661
Directors' emoluments (note 4)	64,354	59,511
Auditors' remuneration	5,650	5,100
Hire of plant and machinery	810	168

4. Directors and Employees

Staff costs during the year were as follows:-

Wages and salaries	553,713	383,405
Social Security costs	45,873	31,269
Other pension costs	24,155	12,767

£ 623,741	£ 427,441
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The average weekly number of persons employed by the company during the year was 42 (1989 - 34).

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

Emoluments, including pension contributions and profit related bonuses	£ 65,260	£ 60,335
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Directors' emoluments, excluding pension contributions, include the following:-

The Chairman	£ Nil	£ Nil
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The highest paid director	£ 29,753	£ 27,415
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The following table shows the number of directors whose emoluments were in the ranges:

	<u>Number</u>	<u>Number</u>
£0 - £5,000	2	3
£20,001 - £25,000	-	-
£25,001 - £30,000	2	2

Kirby MacLean Limited

Notes to the Financial Statements - 30th December 1990 (Continued)

5. Interest Payable

On bank overdrafts and other loans:-

	<u>1990</u>	<u>1989</u>
Repayable within 5 years, not by instalments	27,170	£ 13,700

6. Taxation on Ordinary Activities

United Kingdom corporation tax based on the profits for the year as adjusted for taxation purposes at a rate of 34.25% 1989 : 35%)

Deferred taxation	(2,800)	17,050
Prior year adjustment	956	(74)
	(419)	(27)
	<u>£ (2,263)</u>	<u>£ 16,949</u>

7. Tangible Fixed Assets

	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Office Furniture and Fixtures</u>	<u>Total</u>
Cost				
At 1st January 1990	8,004	99,493	27,722	135,219
Additions	3,672	50,953	7,697	62,322
Disposals	(300)	(19,125)	-	(19,425)
At 30th December 1990	<u>11,376</u>	<u>131,321</u>	<u>35,419</u>	<u>178,116</u>
Depreciation				
At 1st January 1990	3,650	32,872	20,528	57,050
Charge for the year	1,132	26,906	6,562	34,600
On disposals	(300)	(11,115)	-	(11,415)
At 30th December 1990	<u>4,482</u>	<u>48,663</u>	<u>27,090</u>	<u>80,235</u>
Written down value				
At 30th December 1990	<u>£ 6,894</u>	<u>£ 82,659</u>	<u>£ 8,328</u>	<u>£ 97,881</u>
At 31st December 1989	<u>£ 4,354</u>	<u>£ 66,621</u>	<u>£ 7,194</u>	<u>£ 78,169</u>

Kirby MacLean Limited

Notes to the Financial Statements - 30th December 1990 (continued)

8.	Stocks	<u>1990</u>	<u>1989</u>
	Loose tools and materials	£ 16,957	£ 13,688
		<u> </u>	<u> </u>
9.	Debtors		
	All amounts falling due within one year		
	Trade debtors	326,183	278,146
	Amounts recoverable on contracts	153,386	100,799
	Owed by group undertakings	139,531	38,587
	Other debtors	4,612	13,275
		<u> </u>	<u> </u>
		£ 623,712	£ 430,807
		<u> </u>	<u> </u>
10.	Creditors - Amounts falling due within one year		
	Bank loans and overdrafts	274,696	87,966
	Trade creditors	126,723	96,151
	Corporation tax	-	18,738
	Other taxation and social security payable	51,873	79,228
	Other creditors	67,747	24,643
	Accruals and deferred income	46,386	24,173
		<u> </u>	<u> </u>
		£ 567,425	£ 330,899
		<u> </u>	<u> </u>
11.	Provisions for Liabilities and Charges		
	Deferred taxation		
	Accelerated capital allowances		
	Provision at 1st January 1990	1,895	1,969
	Transfer from/(to) profit and loss account	956	(74)
		<u> </u>	<u> </u>
	Provision at 30th December 1990	£ 2,851	£ 1,895
		<u> </u>	<u> </u>

Kirby MacLean Limited

Notes to the Financial Statements - 30th December 1990 (continued)

12. Called Up Share Capital	<u>1990</u>	<u>1989</u>
Ordinary 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>

13. Reserves	<u>Profit and Loss Account</u>
At 1st January 1990	120,010
Retained loss for the year	(21,897)
	<u> </u>
At 30th December 1990	£ 98,113
	<u> </u>

14. Ultimate Holding Company

The company is a wholly-owned subsidiary of R. Mansell Limited, which is incorporated in Great Britain. Copies of the group accounts may be obtained from the Company Secretary, R. Mansell Limited, Roman House, Grant Road, Croydon CR9 6BU.