

POCHIN (CONTRACTORS) LIMITED

ACCOUNTS

31st MAY 1975

DELOITTE & CO.
CHARTERED ACCOUNTANTS

5 1.

POCHIN (CONTRACTORS) LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31st MAY, 1975

DIRECTORS

C.W.T. POCHIN
A.C. POCHIN
F.G. TOZER
W.R. VERITY
M.A. POCHIN
N.J. POCHIN
THE RT. HON. LORD GREENWOOD
OF ROSSENDALE
J.H. WOODCOCK
P. WALKER (Appointed 1. 6.1975)

SECRETARY

H.R. PORTER
BROOKS LANE
MIDDLEWICH
CHESHIRE

AUDITORS

DELOITTE & CO.
RICHMOND HOUSE
1 RUMFORD PLACE
LIVERPOOL L3 9QS

BANKERS

THE NATIONAL WESTMINSTER
BANK LTD.
41 SPRING GARDENS
MANCHESTER M60 2AH

REGISTERED OFFICE

BROOKS LANE
MIDDLEWICH
CHESHIRE

6

2.

POCHIN (CONTRACTORS) LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their annual report and the audited accounts for the year ended 31st May, 1975.

1. The profit for the year after taxation is £55,200 and is transferred to revenue reserve.
2. The principal activity of the company continues to be that of building and civil engineering contracting.
3. The directors who acted during the year are as stated on page 1 with the exception of Mr. P. Walker who was appointed a director on 1st June, 1975.
4. In accordance with the Articles of Association, Mr. P. Walker retires and being eligible offers himself for re-election. Messrs. M.A. Pochin and N.J. Pochin retire by rotation and being eligible offer themselves for re-election.
5. The auditors, Deloitte & Co. continue in office in accordance with Section 159(2) of the Companies Act 1948.

BY ORDER OF THE BOARD



Secretary

6th NOVEMBER, 1975.

8

7 3.

REPORT OF THE AUDITORS

TO THE MEMBERS OF

POCHIN (CONTRACTORS) LIMITED

In our opinion the accounts set out on pages 4 to 8 give a true and fair view of the state of the Company's affairs at 31st May, 1975 and of its profit for the year ended on that date and comply with the Companies Acts 1948 and 1967.

LIVERPOOL - 6th NOVEMBER, 1975

Chartered Accountants

8

4.

POCHIN (CONTRACTORS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MAY, 1975

	NOTE	£	1975 £	1974 £
Turnover	2.		<u>£ 4,218,000</u>	<u>£ 6,466,000</u>
Trading profit for the year before taxation			172,768	227,923
Bank and short term interest			<u>10,271</u>	<u>7,230</u>
			183,039	<u>235,153</u>
after charging:				
Directors' emoluments	3.			
Remuneration as executives		75,967		55,089
Pension contributions		<u>4,548</u>		<u>3,696</u>
		80,515		58,785
Depreciation		30,673		25,335
Auditors remuneration		2,900		2,250
Bank interest		9,908		10,296
Hire of plant		<u>569,910</u>		<u>458,038</u>
		<u>£ 693,906</u>		<u>£ 554,704</u>
Taxation	4.		<u>127,839</u>	<u>121,900</u>
PROFIT AFTER TAXATION			55,200	113,253
Proposed dividend for the year			<u>-</u>	<u>40,000</u>
RETAINED PROFIT OF THE YEAR	9.		<u>£ 55,200</u>	<u>£ 73,253</u>

POCHIM (CONTRACTORS) LIMITED

BALANCE SHEET - 31st MAY, 1975

	NOTE	1975 £	1974 £
NET ASSETS EMPLOYED			
CURRENT ASSETS			
Work in progress	5.	18,492,637	17,871,527
LESS Cash received on account		<u>17,449,577</u>	<u>16,974,379</u>
		1,043,060	897,148
Stock	5.	5,916	9,932
Debtors		480,814	246,981
Short term deposit		45,501	66,355
Cash at bank and in hand		3,485	2,182
Due by group companies		<u>394,370</u>	<u>351,296</u>
		<u>1,981,146</u>	<u>1,573,894</u>
DEDUCT:			
CURRENT LIABILITIES			
Creditors		1,191,553	876,731
Due to group companies		114,339	87,607
Bank overdraft (secured)	6.	229,878	140,666
Current taxation		-	77,325
Proposed dividend		-	40,000
		<u>1,535,770</u>	<u>1,222,329</u>
NET CURRENT ASSETS		445,376	351,565
FIXED ASSETS	7.	<u>136,022</u>	<u>102,364</u>
		<u>£ 581,398</u>	<u>£ 453,929</u>
FINANCED BY:			
SHARE CAPITAL	8.	5,000	5,000
CAPITAL RESERVE		20,000	20,000
REVENUE RESERVE	9.	<u>370,936</u>	<u>315,736</u>
		395,936	340,736
DEFERRED TAXATION	10.	121,175	11,400
CORPORATION TAX payable			
1st January, 1977		<u>64,287</u>	<u>101,793</u> X
		<u>£ 581,398</u>	<u>£ 453,929</u>

This is a true copy of every Balance Sheet laid before the Company in General Meeting during the period to which the Return relates.

Director

Secretary

Directors

10

6.

POCHIN (CONTRACTORS) LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31st MAY, 1975

1. The company is a wholly owned subsidiary of Pochin's Limited, a company incorporated in England.
2. TURNOVER represents the amount receivable for work done and sundry sales.
3. DIRECTORS' EMOLUMENTS

	1975	1974
Chairman	£ 11,055	£ 9,056
Highest paid director	£ 17,030	£ 11,712
Other directors:-	Number	Number
Not exceeding £2,500	1	1
£2,501 - £5,000	1	1
£5,001 - £7,500	-	2
£7,501 - £10,000	2	2
£10,001 - £12,500	1	-
£12,501 - £15,000	1	-
4. TAXATION

U.K. corporation tax at 52% (1974 - 52%)		
On profits of the year	92,000	118,000
Deferred tax	7,800	3,600
	<u>99,800</u>	<u>121,600</u>
Prior year adjustments -		
Payment for group tax losses surrendered	5,200	-
Difference arising from stock appreciation relief granted at 41.66% and deferred tax charged at 52%	19,225	-
Sundry	<u>3,614</u>	<u>300</u>
	<u>£ 127,839</u>	<u>£ 121,900</u>
5. STOCK AND WORK IN PROGRESS

Stock has been valued at cost.

Work in progress is included at surveyors' valuations and, as previously, includes profits earned to date less provisions for contingencies but excludes amounts which may arise on unsettled claims.
6. A floating charge on the assets of the company has been given to the company's bankers.

(Cont'd..)

POCHIN (CONTRACTORS) LIMITEDNOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31st MAY, 1975 (Cont'd.,)

7. FIXED ASSETS

	Freehold land and buildings £	Plant, machinery and vehicles £	TOTAL £
AT COST			
At 31st May, 1974	10,731	161,963	172,694
Additions during year	603	82,161	82,764
	11,334	244,124	255,458
	-	44,011	44,011
Disposals during year			
At 31st May, 1975	11,334	200,113	211,447
DEPRECIATION			
At 31st May, 1974	-	70,330	70,330
Charge for year	-	30,673	30,673
	-	101,003	101,003
	-	25,578	25,578
Disposals during year			
At 31st May, 1975	-	75,425	75,425
NET BOOK VALUE			
At 31st May, 1975	£ 11,334	£ 124,688	£ 136,022
At 31st May, 1974	£ 10,731	£ 91,633	£ 102,364

Freehold land and buildings are not depreciated. Plant, machinery and vehicles are depreciated over their expected lives by applying average rates of approximately 25% on written down values.

8. SHARE CAPITAL

	1975 £	1974 £
Authorised, issued and fully paid 5,000 ordinary shares of £1 each	£ 5,000	£ 5,000

9. REVENUE RESERVE

At 31st May, 1974	315,736
Retained profit of the year	55,200
At 31st May, 1975	£ 370,936

(Cont'd.,)

12 8.

POCHIN (CONTRACTORS) LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31st MAY, 1975 (Cont'd..)

	1975 £	1974 £
10. DEFERRED TAXATION		
Corporation tax at 52%		
(a) on the excess of net book value of fixed assets (excluding land and buildings) over their corresponding written down value for taxation purposes	19,200	11,400
(b) Stock price increase relief for the two years ended 31st May, 1974	<u>101,975</u>	<u>-</u>
	<u>£ 121,175</u>	<u>£ 11,400</u>
11. CAPITAL COMMITMENTS	1975 £	1974 £
Contracted for but not provided in these accounts	10,000	5,000
Authorised but not contracted for	NIL	NIL
12. CONTINGENT LIABILITIES		
There are unlimited cross bank guarantees with certain group companies. In addition there are contingent liabilities in respect of guarantees under building agreements entered into in the normal course of business.		
13. PRICE COMMISSION		
The Price Commission have requested the holding company to justify the group profits earned in the year to 31st May 1975. Whilst it is too early to give a firm indication of the outcome of the negotiations the directors are of the opinion that there should be no surplus profits to be refunded.		