

405393

Pool and Sons (Hartley Wintney) Limited

Report and Financial Statements

Year Ended

30 April 2001



BDO Stoy Hayward
Chartered Accountants

Pool and Sons (Hartley Wintney) Limited

Annual report and financial statements for the year ended 30 April 2001

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Directors

J H K Forster FCA
G M Tullis CBE
G N Dunphy

Secretary and registered office

G M Tullis CBE, Hart House, Hartley Wintney, Hampshire, RG27 8PE

Company number

405393

Auditors

BDO Stoy Hayward, Connaught House, Alexandra Terrace
Guildford, Surrey, GU1 3DA

Bankers

Barclays Bank plc, London Corporate Banking, PO Box 544, 54 Lombard Street, London
EC3V 9EX

Solicitors

Gouldens, 22 Tudor Street, London, EC4Y 0JJ

Pool and Sons (Hartley Wintney) Limited

Report of the directors for the year ended 30 April 2001

The directors present their report together with the audited financial statements for the year ended 30 April 2001.

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year.

Principal activities, review of business and future developments

The company's principal activity is that of building contracting. The company has continued to trade in line with expectations. The company made a loss for the year, but maintained a sound financial position at the year end.

Trading results and dividend

The results for the year are set out in the profit and loss account on page 6. Turnover has increased this year by 24%.

The directors do not recommend the payment of a dividend for the year. No dividends were declared in respect of the previous year.

Market value of land and buildings

The directors are of the opinion that there is no material difference between the market value of the company's interests in land and buildings and the amounts at which they are shown in the financial statements.

Directors

The directors of the company during the year were:

J H K Forster FCA

N M Deane (resigned 16 April 2001)

G M Tullis CBE

G N Dunphy (appointed 3 October 2000)

No director had any beneficial interest in the share capital of the company nor in the share capital of any group company.

Pool and Sons (Hartley Wintney) Limited

Report of the directors for the year ended 30 April 2001 (*Continued*)

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 year. 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; 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.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board


G M Tullis CBE

Secretary

25 January 2002

Pool and Sons (Hartley Wintney) Limited

Report of the independent auditors

To the shareholders of Pool and Sons (Hartley Wintney) Limited

We have audited the financial statements of Pool and Sons (Hartley Wintney) Limited for the year ended 30 April 2001 on pages 6 to 13 which have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of 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.

Pool and Sons (Hartley Wintney) Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward

BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Guildford

28 January 2002

Pool and Sons (Hartley Wintney) Limited**Profit and loss account for the year ended 30 April 2001**

	Note	2001 £	2000 £
Turnover	2	1,068,280	861,750
Cost of sales		860,831	674,977
		<hr/>	<hr/>
Gross profit		207,449	186,773
Administrative expenses		237,430	221,048
		<hr/>	<hr/>
		(29,981)	(34,275)
Other operating income		17,952	12,736
		<hr/>	<hr/>
Operating loss	3	(12,029)	(21,539)
Interest payable and similar charges	5	(14,807)	(9,157)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(26,836)	(30,696)
Taxation on loss on ordinary activities	6	(27,330)	(35,175)
		<hr/>	<hr/>
Profit on ordinary activities after taxation retained for the year		494	4,479
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the profit for the year.

The notes on pages 8 to 14 form part of these financial statements.

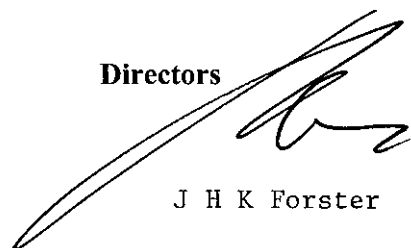
Pool and Sons (Hartley Wintney) Limited

Balance sheet at 30 April 2001

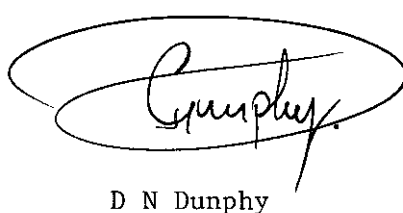
	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	7		163,518		168,454
Current assets					
Stocks	8	50,450		60,922	
Debtors	9	179,868		140,760	
Cash at bank and in hand		77		32,821	
		<u>230,395</u>		<u>234,503</u>	
Creditors: amounts falling due within one year	10	154,882		164,420	
Net current assets			<u>75,513</u>		<u>70,083</u>
Total assets less current liabilities			<u>239,031</u>		<u>238,537</u>
Creditors: amounts falling due after more than one year	11		180,000		180,000
			<u>59,031</u>		<u>58,537</u>
Capital and reserves					
Called up share capital	12		600,000		600,000
Capital redemption reserve	13		4,225		4,225
Other reserves	13		9,100		9,100
Profit and loss account	13		(554,294)		(554,788)
Equity shareholders' funds			<u>59,031</u>		<u>58,537</u>

The financial statements were approved by the Board on 25 January 2002

Directors



J H K Forster



D N Dunphy

The notes on pages 8 to 14 form part of these financial statements.

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Kaye Enterprises Limited and the company is included in consolidated financial statements.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Freehold property	- 3% on a straight line basis per annum
Plant & machinery	- 10% on a straight line basis per annum
Office equipment, fixtures and fittings	- 10% on a straight line basis per annum

Stocks

Stocks of raw materials are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Work in progress is valued at the cost of direct materials and labour plus attributable overhead based on the normal level of activity.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Leased assets

Annual rentals for operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (*Continued*)

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Operating loss

This is arrived at after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets	4,936	4,936
Hire of plant and machinery - operating leases	22,794	17,090
Auditors' remuneration - audit services	3,900	3,700
	<u> </u>	<u> </u>

4 Directors' remuneration

No director received any emoluments during the current year (2000 - £nil).

5 Interest payable and similar charges

	2001 £	2000 £
Loans from group companies	14,807	9,157
	<u> </u>	<u> </u>

6 Taxation on loss on ordinary activities

	2001 £	2000 £
<i>UK Corporation tax</i>		
<i>Current year</i>		
Group relief	(27,330)	(35,175)
	<u> </u>	<u> </u>

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (Continued)

7 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Office equipment, fixtures and fittings £	Total £
<i>Cost</i>				
At 1 May 2000 and 30 April 2001	202,345	14,792	12,020	229,157
<i>Depreciation</i>				
At 1 May 2000	41,231	14,792	4,680	60,703
Provided for the year	3,750	-	1,186	4,936
At 30 April 2001	44,981	14,792	5,866	65,639
<i>Net book value</i>				
At 30 April 2001	157,364	-	6,154	163,518
At 30 April 2000	161,114	-	7,340	168,454

Included in freehold land and buildings is land at a cost of £75,000.

8 Stocks

	2001 £	2000 £
Raw materials	13,614	14,788
Work in progress	36,836	46,134
	50,450	60,922

There is no material difference between the above value of stocks and their replacement cost.

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (Continued)

9 Debtors

	2001 £	2000 £
Trade debtors	64,651	137,485
Other debtors	2,837	-
Prepayments and accrued income	4,244	3,275
Amounts recoverable on contracts	108,136	-
	<u>179,868</u>	<u>140,760</u>

All amounts shown under debtors fall due for payment within one year.

10 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	14,604	-
Trade creditors	49,340	65,975
Amounts owed to group undertakings	32,967	32,728
Taxation and social security	2,181	5,077
Other creditors	-	2,622
Accruals and deferred income	55,790	58,018
	<u>154,882</u>	<u>164,420</u>

11 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Amounts owed to group undertakings	180,000	180,000

The loan has no fixed repayment date but there is no intention by the directors of the parent undertaking to call the loan in within twelve months of the balance sheet date. The loan is unsecured and bears interest at 1% above base rate.

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (Continued)

12 Share capital

	Authorised	Allotted, called up and fully		
	2001	2000	2001	paid
	£	£	£	2000
				£
<i>Equity share capital</i>				
Ordinary shares of £1 each	600,000	592,200	592,200	592,200
4% deferred shares of £1 each	7,800	7,800	7,800	7,800
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	607,800	600,000	600,000	600,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The 4% deferred shares are entitled to a dividend equal to 1/24th of any dividend declared on the ordinary shares.

On winding up, the deferred shares are entitled to the remainder of the surplus assets of the company after providing for repayment of the ordinary shares and distribution of 24/25ths of the surplus assets to those shareholders.

13 Reserves

	Capital redemption reserve	Capital reserve	Profit and loss account
	£	£	£
At 1 May 2000	4,225	9,100	(554,788)
Profit for the year	-	-	494
	<u> </u>	<u> </u>	<u> </u>
At 30 April 2001	4,225	9,100	(554,294)
	<u> </u>	<u> </u>	<u> </u>

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (*Continued*)

14 Related party disclosures

Controlling parties

The company is controlled by Kaye Enterprises Limited, the parent undertaking. The company's ultimate controlling party is unknown.

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Kaye Enterprises Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

Related party transactions and balances

	Sales to related party £	Amounts owed by related party £
Related party		
Lady Kaye	9,647	1,971
J H K Forster	13,602	-
N M Deane	746	341
J G Scriven	3,082	328
	<hr/>	<hr/>
2000		
Lady Kaye	19,555	9,487
J H K Forster	16,791	-
	<hr/>	<hr/>

N M Deane and J H K Forster were directors of the company during the year. J G Scriven and Lady Kaye were directors of the parent company, Kaye Enterprises Limited, during the year.

Pool and Sons (Hartley Wintney) Limited

Notes forming part of the financial statements for the year ended 30 April 2001 (*Continued*)

15 Ultimate parent company and parent undertaking of larger group

The largest group in which the results of the company are consolidated is that headed by Kaye Enterprises Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from:

Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

No other group accounts include the results of the company.