

**MCNICHOLAS SUPPLIES
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2008

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COMPANIES HOUSE

Company no 882356

MCNICHOLAS SUPPLIES LIMITED

FINANCIAL STATEMENTS

For the year ended 31 MARCH 2008

Company Registration Number	882356
Registered Office	Lismirrane Industrial Park Elstree Road Elstree Hertfordshire WD6 3EA
Directors	P T McNicholas B S McNicholas A S Kerr
Secretary	A S Kerr
Auditors	Grant Thornton UK LLP Registered Auditors Chartered Accountants Grant Thornton House Melton Street Euston Square London NW1 2EP

MCNICHOLAS SUPPLIES LIMITED

FINANCIAL STATEMENTS

For the year ended 31 MARCH 2008

INDEX	PAGE
Report of the directors	1 – 2
Report of the independent auditors	3 – 4
Principal accounting policies	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 – 9

MCNICHOLAS SUPPLIES LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 MARCH 2008

The directors present their report together with the audited financial statements for the year ended 31 March 2008

Principal activity

The principal activity of the company is the supply of consumables to the civil engineering industry

Business review and future developments

The company does not trade and the financial position of the company is as shown in the financial statements. The directors proposed and paid a dividend during the year of £165,103 (2007 £nil) per £1 ordinary share amounting to £165,103 (2007 £nil).

Financial risk management objectives and policies

The company relies solely on its ultimate parent undertaking to provide finance for the company, which is no longer trading. In addition, the company's principal asset is an inter-company receivable with the ultimate parent undertaking. As a result, the company's principal risk is the liquidity of the ultimate parent undertaking. An assessment of the financial risks of the ultimate parent undertaking are to be found in its financial statements.

Directors

The directors who served throughout the year are set out below

P T McNicholas
B S McNicholas
A S Kerr

None of the directors have any interest in the share capital of the company. The interests of those directors who are also directors of the ultimate parent undertaking in the share capital of that company are disclosed in its financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

MCNICHOLAS SUPPLIES LIMITED

REPORT OF THE DIRECTORS

For the year ended 31 MARCH 2008

Statement of directors' responsibilities

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BY ORDER OF THE BOARD



A S Kerr
Secretary
16 September 2008



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

MCNICHOLAS SUPPLIES LIMITED

We have audited the financial statements (the "financial statements") of McNicholas Supplies Limited for the year ended 31 March 2008 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MCNICHOLAS SUPPLIES LIMITED**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 31 March 2008

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

**LONDON
16 SEPTEMBER 2008**

MCNICHOLAS SUPPLIES LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The principal accounting policies of the company have remained unchanged from the previous year

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard 1 from including a cash flow statement on the grounds that the company is a 100% subsidiary of McNicholas Construction (Holdings) Limited, the consolidated accounts of which are available from Companies House

MCNICHOLAS SUPPLIES LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 MARCH 2008

	Note	2008 £	2007 £
Turnover	1	-	-
Cost of sales		<u>-</u>	<u>-</u>
Operating profit and profit on ordinary activities before taxation	2	-	-
Tax on profit on ordinary activities	4	-	(687)
Loss retained and transferred from reserves	7	<u>-</u>	<u>(687)</u>

All transactions arose from continuing operations

There were no recognised gains and losses other than the result for the financial year

The accompanying accounting policies and notes form an integral part of these financial statements

MCNICHOLAS SUPPLIES LIMITED

BALANCE SHEET AT 31 MARCH 2008

	Note	2008 £	2007 £
Current assets			
Debtors			
Amounts owed by group undertakings		<u>1,000</u>	<u>166,103</u>
Net current assets		<u>1,000</u>	<u>166,103</u>
 Capital and reserves			
Called up share capital	6	1,000	1,000
Profit and loss account	7	-	<u>165,103</u>
Shareholders' funds	8	<u>1,000</u>	<u>166,103</u>

The financial statements were approved by the Board of Directors on 16 September 2008



A S Kerr - Director

The accompanying accounting policies and notes form an integral part of these financial statements

MCNICHOLAS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2008

1 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

2 OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration is charged through the parent undertaking

3 DIRECTORS AND EMPLOYEES

The directors are the only employees of the company and were wholly remunerated by other group companies

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is based on the profit for the year and represents

	2008 £	2007 £
Current tax		
UK corporation tax at 30% (2007 30%)	-	687
Tax on profit on ordinary activities	-	687

The tax assessed for the year is the same as (2007 higher than) the standard rate of corporation tax in the U K (30%) The differences are explained below

Profit on ordinary activities multiplied by standard rate of corporation tax in the U K of 30% (2007 30%)	-	-
Under provision in prior years	-	687
Current tax charge for period	-	687

5 DIVIDENDS

	2008 £'000	2007 £'000
Paid - £165 103 per share (2007 £nil)	165,103	-

6 SHARE CAPITAL

	2008 £	2007 £
Authorised, allotted and fully paid 1,000 ordinary shares of £1 each	1,000	1,000

MCNICHOLAS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 MARCH 2008

7 PROFIT AND LOSS ACCOUNT

	£
At 1 April 2007	165,103
Dividend paid	(165,103)
At 31 March 2008	-

8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Result for the financial year	-	(687)
Dividend paid	(165,103)	-
Opening shareholders' funds	166,103	166,790
Closing shareholders' funds	1,000	166,103

9 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 2008 or 31 March 2007

10 CONTINGENT LIABILITIES

The company had an unlimited cross guarantee in respect of group bank borrowings. At 31 March 2008 this amounted to £nil (2007 £ nil)

11 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of McNicholas Construction (Holdings) Limited, the company is exempt from the requirements of Financial Reporting Standard No 8 to disclose transactions with other members of the group headed by McNicholas Construction (Holdings) Limited

12 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this company is McNicholas Construction (Holdings) Limited, incorporated in England and Wales. It is situated at Lismirrane Industrial Park, Elstree Road, Elstree, Hertfordshire and its financial statements are available from Companies House

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by McNicholas Construction (Holdings) Limited