

PRIDY ELECTRICAL (BRISTOL) LIMITED

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31st DECEMBER 1977



PRIDDY ELECTRICAL (WILSTON) LIMITED

REPORT OF THE DIRECTORS

Directors: J. Priddy (Chairman)
C. Brent
W.E. Harding
A.L. Barty

The Directors submit this Report, together with the audited accounts of the Company for the year ended 31st December, 1977.

PRINCIPAL ACTIVITIES

The Principal Activity of the Company, namely Electrical Contracting, remained unchanged during the year.

FINANCIAL RESULTS AND STATE OF AFFAIRS

	£	
The Profit for the year after taxation amounted to	8,637	
Which is adjusted with the balance on Reserve		
brought forward of £1,770 Dr. as adjusted - See Note 11	1,770	Dr.
to the Accounts		
Leaving a balance on Reserve of	£6,867	

The Directors consider the State of Affairs of the Company to be satisfactory.

EXPORTS

No services were exported during the year.

FIXED ASSETS

Details of Fixed Assets are shown in Note 8 to the Accounts.

STATUS FOR TAXATION PURPOSES:

The Company is a Close Company within the meaning of Section 282 of the Income and Corporation Taxes Act 1970.

DIRECTORS

There were no changes in the Directorate during the year.
The Directors' interests in the Capital of the Company were as follows:

	31st December 1977	1st January 1977
	Ordinary	Shares
J. Priddy	1	1
C. Brent	1	1
W.E. Harding	1	1
A.L. Barty	-	-

The Directors have no interest in a Contract with the Company and have no rights other than those detailed in the Articles of the Company, to acquire Shares or Debentures in the Company.

AUDITORS

The Auditors, Messrs. Butterworth, Jones and Co. have expressed their willingness to be re-elected to office.

By Order of the Board


Secretary

5th April, 1978


REPORT OF THE AUDITORS

TO THE MEMBERS OF PRIDY ELECTRICAL (BRISTOL) LIMITED

We have examined the Accounts and Notes annexed hereto.
These have been prepared under the historical cost convention.

In our opinion these Accounts and Notes give, under the accounting convention stated above, a true and fair view of the state of affairs of the Company at 31st December 1977 and of the Profit and of the Source and Application of Funds for the year ended on that date, and comply with the Companies Acts 1948 and 1967.

Weston-super-Mare.


BUTTERWORTH JONES AND CO
Chartered Accountants

6th April, 1978

BALANCE SHEET AS AT 31st DECEMBER 1977

James E. Lee)
) Directors
James E. Lee)

PRIDY ELECTRICAL (BRISTOL) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1977

	1977	1976
	£	£
<u>TURNOVER</u>		
	436,799	558,265
Operating Costs and Expenses		
Interest Payable	424,089.	541,692
	652	-
Trading Profit	12,068	16,573
Investment and Other Income	4	4
	12,072	16,577
Directors' Fees Paid	500	-
Directors' Fees Payable	9,999	-
<u>NET PROFIT BEFORE TAXATION</u>	1,573	16,577
<u>TAXATION</u>		
Corporation Tax on Profits for the Current Year (42%)	-	-
Corporation Tax payable for previous years	-	22
Deferred Taxation on Profits for the current year (Notes 10 and 11)	7,064 Cr.	18,151
	7,064 Cr.	18,173
<u>NET PROFIT AFTER TAXATION</u>	8,637	1,596 Dr.
<u>RETAINED PROFITS</u>		
Balance brought forward:		
As Previously Reported	9,419	174 Dr.
Prior Year Adjustment (Note 11)	11,189	-
Balance carried forward	£ 6,867	£ 1,770 Dr.

PRIDDY ELECTRICAL (BRISTOL) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31st DECEMBER 1977

	1977		1976	
	£	£	£	£
<u>SOURCE OF FUNDS</u>				
Profit before Taxation		1,573		16,577
Add: Depreciation		7,428		-
Adjustment re Sale of Assets		930		-
Total generated from operations		9,931		16,577
Proceeds from Sale of Assets		2,595		-
		12,526		16,577
<u>APPLICATION OF FUNDS</u>				
Purchase of Fixed Assets		36,806		-
Corporation Tax Paid		-		22
		£(24,280)		£16,555
<u>INCREASE (DECREASE) IN WORKING CAPITAL</u>				
Increase (Decrease)				
In Stock and Work in Progress				
less Payments to Account	(15,952)		76,076	
In Debtors and Prepayments	(7,020)		40,009	
Decrease (Increase)				
In Creditors	9,973		(76,430)	
In Amount Outstanding on Hire				
Purchase	(9,238)		-	
In Directors' Current Accounts	(9,999)		-	
In Claims Provision	1,949		(3,550)	
In Current Account with Holding Company	(6,467)	(36,754)	(17,736)	18,369
<u>Liquid Funds</u>				
(Increase) Decrease in Bank				
Overdraft	2,879		(2,879)	
Increase (Decrease) in Bank				
Account	9,482		153	
Increase (Decrease) in Giro				
Account	262		738	
Increase (Decrease) in Cash in Hand	(149)	12,474	174	(1,814)
		£(24,280)		£16,555

PRIDDY ELECTRICAL (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 1977

1. ACCOUNTING POLICIES

The following are the more important accounting policies adopted by the Company.

Turnover

Turnover represents the total amount receivable for goods sold and services rendered during the year (excluding Value Added Tax). Account is made in this figure for levels of Work-in-Progress at the 31st December each year and for the Claims Provision.

Fixed Assets:

Fixed Assets are stated at cost and all repairs are written off as incurred.

Depreciation:

Depreciation is calculated on the following bases:

Motor Vehicles	25% per annum	reducing balance basis
Plant	25% per annum	reducing balance basis
Office Equipment	10% per annum	reducing balance basis
Accounting Machine	25% per annum	straight line basis

A full year's depreciation is charged in the year of purchase.

Motor Vehicles Depreciation was reduced by £206 on a vehicle sold after date to bring the figure into line with the value obtained.

Stock and Work-in Progress

Stock has been valued by the Directors and in calculating the amount of Work-in-Progress at 31st December 1977, the proportion of the profit approved to date on the Contracts in progress has been taken into account.

2. OPERATING COSTS AND EXPENSES

Operating costs and expenses include the following:

	1977	1976	
Depreciation	£	£	
Adjustment re Sale of Vehicles	7,428	-	
Auditors' Remuneration	930	-	
Directors' Emoluments	170	50	
Administration Charges Payable (Net)	30,348	-	
	1,094	25,000	Service Charge
	<u> </u>	<u> </u>	

3. INTEREST PAYABLE

	1977	1976
Interest Payable on Bank Overdraft	£	£
	652	-
	<u> </u>	<u> </u>

Bank Overdraft facilities are secured by a Debenture containing
(i) A fixed equitable charge on all after acquired property
(ii) A fixed charge on plant and machinery etc.
(iii) A floating charge on the remaining assets.
The Debenture is dated 25th February, 1977.

4. INVESTMENT AND OTHER INCOME

	1977	1976
Bank Interest	£	£
	4	4
	<u> </u>	<u> </u>

BY ELECTRICAL (BRISTOL) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER, 1977 (CONTINUED)

HOLDING COMPANY

5. The ultimate Holding Company is Breardown Building Limited, registered in England. (The name of the Holding Company was changed on 22nd December, 1977 from Priddy Electrical Limited).
6. The issued Share Capital of the Company comprises 66 shares of £1 each, fully paid, 63 of which are held by the Holding Company.

7. ADMINISTRATION CHARGES

	1977 £	1976 £
Charge Received from fellow subsidiary	2222	-
Service Charge charged by Holding Company	-	25,000
Administration Charge charged by Holding Company	3316	-

8. FIXED ASSETS

Net Book Value	1977	1976
Motor Vehicles	£	£
Plant	14,603	-
Office Equipment	3,008	-
Accounting Machine and Programmes	4,117	-
	4,125	-
	<u>£25,853</u>	<u>£ -</u>

Movements	At Cost in year £	Disposals £	At 31.12.77 £	Depn. Charged £
Motor Vehicle	22,721	3,525	19,196	4,593
Plant	4,011	-	4,011	1,003
Office Equipment	4,574	-	4,574	457
Accounting Machine	5,500	-	5,500	1,375
	<u>£36,806</u>	<u>£3,525</u>	<u>£33,281</u>	<u>£7,428</u>

9. DIRECTORS' EMOLUMENTS

(a) Directors' Remuneration:	1977 £	1976 £
Salaries	14,868	-
Fees Voted and Paid	500	-
Fees Voted but not yet paid	9,999	-
Pension Contributions	4,981	-
	<u>£30,348</u>	<u>-</u>

(b) Particulars of Directors' Emoluments

	1977 £	1976 £
Chairman's Emoluments	3,333	-
Emoluments of Highest Paid Director	9,183	-
The Emoluments of all the Directors fell between:	Number	Number
£ 1 - £ 2,500	-	-
£2501 - £ 5,000	1	-
£5001 - £ 7,500	2	-
£7501 - £10,000	1	-
Directors who had no emoluments	-	4

PRIDY ELECTRICAL (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 1977 (CONTINUED)

<u>10. DEFERRED TAXATION</u>	1977	1976
	£	£
Balance brought forward	18151	-
Deferred Taxation - unrecovered stock relief on opening Stock and Work-in-Progress	-	11187
Deferred Taxation - 1976 As previously reported	-	6964
For the current year	7064 Cr.	-
	<u>£11087</u>	<u>£18151</u>
Balance carried forward		

Deferred Taxation is calculated on the "Deferal Method" basis for for deferral of taxation, arising through Tax Relief for Increase in Stock and Work-in-Progress. Calculation under the "Liability Method" does not vary with these figures to any material extent.

11. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made following discussions with the Inland Revenue in respect of Stock Relief relating to the purchase of the Holding Company's Stock and Work-in-Progress at the end of 1976.

The above discussions have resulted in a situation whereby the Deferred Taxation Liability at 31st December 1976 would have differed materially with that previously reported.

It has therefore been considered necessary to adjust the 1976 figures to reflect the recent development. This adjustment is disclosed in Note 10 above.