



# RICHARDSON REED

Accountants & Tax Consultants

BURO HAPPOLD MANAGEMENT LIMITED  
CONSOLIDATED FINANCIAL STATEMENTS

30 APRIL 1996

Registered number: 2005893



BURO HAPPOLD MANAGEMENT LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 April 1996

CONTENTS

Company information	1
Directors' report	2
Auditors' report	3
Consolidated profit and loss account	4
Consolidated balance sheet	5
Consolidated cash flow statement	6
Notes	7 to 13

The following pages do not form part of the statutory accounts:

Detailed consolidated trading and profit and loss account  
Appendix 1

Schedule to consolidated trading and profit and loss account  
Appendix 2

## BURO HAPPOLD MANAGEMENT LIMITED

## COMPANY INFORMATION

30 APRIL 1996

REGISTERED NUMBER	2005893
DIRECTORS	W I Liddell R G Macdonald J W E Pugh D H Wookey
SECRETARY	R H Webster
REGISTERED OFFICE	Camden Mill Lower Bristol Road Bath BA2 3DQ
BANKERS	National Westminster Bank Plc 41 Lothbury London EC2P 2BP
AUDITORS	Richardson Reed Cleveland House Sydney Road Bath BA2 6NR

**BURO HAPPOLD MANAGEMENT LIMITED**

**DIRECTORS' REPORT**

**30 April 1996**

The directors present their report and the audited consolidated financial statements for the year ended 30 April 1996.

**Principal activity**

The principal activity of the group in the year under review was to provide consulting engineering and management services.

**Business review**

The group's consolidated balance sheet as detailed on page 5 shows a satisfactory position, consolidated shareholders' funds amounting to £716,000.

**Profit, dividends and appropriations**

The results for the year are shown in the consolidated profit and loss account on page 4.

The directors do not propose payment of an ordinary dividend, the profit for the year is to be transferred to reserves.

**Fixed assets**

Changes in fixed assets during the year are set out in note 9 to the accounts.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	<u>30 April 1996</u>	<u>1 May 1995</u>
	<u>Ordinary shares</u>	<u>Ordinary shares</u>
E Happold (deceased 12 January 1996)	-	-
W I Liddell	-	-
R G Macdonald	-	-
J W E Pugh	-	-
D H Wookey (appointed 27 October 1996)	-	-

W I Liddell holds, together with two other partners, all the ordinary shares in trust for each of the partners of Buro Happold Partnership.

## BURO HAPPOLD MANAGEMENT LIMITED

DIRECTORS' REPORT  
(continued)

30 April 1996

**Responsibility of directors for the consolidated financial statements**

Company law requires the directors to prepare consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to select suitable accounting policies and apply them consistently; make judgements and estimates that are reasonable and prudent; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the consolidated financial position of the group and to enable them to ensure that the consolidated financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

Richardson Reed have agreed to offer themselves for re-appointment as auditors of the company and group.

On behalf of the board

R H Webster  
Secretary

Camden Mill  
Lower Bristol Road  
Bath BA2 3DQ

Dated 5.9.96

**Auditors' report**

to the members of Buro Happold Management Limited

We have audited the consolidated financial statements on pages 4 to 13, which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 2a, the group's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 group'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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the group's affairs as at 30 April 1996 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Richardson Reed

Registered Auditors

Cleveland House  
Sydney Road  
Bath BA2 6NR

Dated 5.9.96

**BURO HAPPOLD MANAGEMENT LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 April 1996**

	Notes	1996 £000s	1995 £000s
Turnover	3	7,646	5,679
Administrative expenses		7,402	5,464
		-----	-----
Operating profit	4	244	215
Investment income	6	-	2
Interest payable	7	(33)	(25)
		-----	-----
Profit on ordinary activities before taxation		211	192
Taxation	8	(86)	(91)
		-----	-----
Profit on ordinary activities after taxation		125	101
Equity minority interests		4	1
		-----	-----
Profit retained for the financial year	15	129	102
		=====	=====

Movements in reserves are shown in note 15.

All of the activities of the subsidiary companies were acquired during the financial year ended 30 April 1995.

There are no recognised gains and losses in 1996 or 1995, other than the profit for the year.

## BURO HAPPOLD MANAGEMENT LIMITED

## CONSOLIDATED BALANCE SHEET

at 30 April 1996

	Notes	1996 £000s	1996 £000s	1995 £000s	1995 £000s
<b>Fixed assets</b>					
Tangible assets	9		259		221
<b>Current assets</b>					
Debtors	10	3,112		1,728	
Cash at bank and in hand		72		199	
		-----		-----	
		3,184		1,927	
<b>Creditors</b>					
Amounts due within one year	11	2,685		1,454	
		-----		-----	
<b>Net current assets</b>			499		473
			-----		-----
<b>Total assets less current liabilities</b>			758		694
<b>Creditors</b>					
Amounts due beyond one year	12		44		105
			-----		-----
			714		589
			=====		=====
<b>Capital and reserves</b>					
Attributable to equity interests					
Called up share capital	14		1		1
Profit and loss account	15		715		586
			-----		-----
			716		587
<b>Equity minority interests</b>	16		(2)		2
			-----		-----
			714		589
			=====		=====

The financial statements on pages 4 to 13 were approved by the board of directors:



W I Liddell  
Director

Dated 5.9.96



BURO HAPPOLD MANAGEMENT LIMITED  
CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 30 April 1996

	1996 £000s	1996 £000s	1995 £000s	1995 £000s
Net cash inflow/(outflow) from operating activities		(54)		753
Returns on investments and servicing of finance				
Interest received	-		2	
Interest paid	-		(2)	
Hire purchase interest	(12)		(5)	
	-----		-----	
Net cash outflow from returns on investments and servicing of finance		(12)		(5)
Taxation				
Corporation tax paid (including ACT)		(65)		58
Investing activities				
Payments to acquire tangible fixed assets (155)			(165)	
Receipts from sales of tangible fixed assets 1			13	
Purchase of subsidiary undertakings (net of of cash and cash equivalents-Note 17)	-		(616)	
	-----		-----	
Net cash inflow/(outflow) from investing activities		(154)		(768)
		-----		-----
Net cash inflow/(outflow) before financing		(285)		38
Financing				
New finance contracts	34		105	
	-----		-----	
Net cash inflow from financing		34		105
		-----		-----
Increase/(decrease) in cash and cash equivalents		(251)		143
		=====		=====

See note 2 for the notes to this statement

**BURO HAPPOLD MANAGEMENT LIMITED**

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS**

**30 April 1996**

**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

**Basis of Consolidation**

The accounts are presented in the form of group accounts, which consolidate the accounts of the parent company and its subsidiary undertakings, after eliminating internal transactions and recognising the minority interests in these subsidiary undertakings.

**Turnover**

Turnover represents the amount derived from the provision of goods and services which fall within the group's ordinary activities, stated net of value added tax.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives, as follows:

Office equipment	4 years straight line
Motor vehicles	4 years straight line
Fixtures and fittings	10 years straight line

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**Foreign currencies**

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

## 2. Notes to the consolidated cash flow statements

	1996 £000s	1995 £000s
<b>Reconciliation of operating profit to net cash inflow/(outflow) from operating activities</b>		
Operating profit	224	197
Depreciation charges	112	145
Loss on sale of fixed assets	3	5
Decrease/(increase) in debtors	(1,384)	3,627
(Decrease)/increase in creditors	991	(3,221)
	-----	-----
Net cash inflow/(outflow) from operating activities	(54)	753
	=====	=====
<b>Analysis of changes in cash and cash equivalents as shown in the balance sheet</b>		
Balance at 1 May	129	(14)
Net cash inflow/(outflow)	(251)	143
	-----	-----
Balance at 30 April	(122)	129
	=====	=====

**Analysis of the balances of cash and cash equivalents shown in the balance sheet**

	1996 £000s	1995 £000s	Change in year
Cash at bank and in hand	72	199	(127)
Bank overdrafts	(194)	(70)	(124)
	-----	-----	-----
	(122)	129	(251)
	=====	=====	=====

**Analysis of changes in financing during the year**

	Finance leasing £000s
Balance at 1 May 1995	105
Cash inflow from financing	34
Repayments during the year	(38)
	-----
Balance at 30 April 1996	101
	=====

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

## 3. Analysis of results

Turnover represents the amount derived from the provision of goods and services which fall within the group's ordinary activities stated net of value added tax.

The analysis of turnover by geographical area is as follows:

	1996	1995
	%	%
United Kingdom	67	62
Europe	2	6
Other	31	32
	----	----
	100	100
	=====	=====

## 4. Operating profit

Operating profit is stated after crediting:

	1996	1995
	£000s	£000s
Profit on foreign exchange	82	-
Profit on sale of fixed assets	3	-
	=====	=====
and after charging:		
Staff costs (note 5)	3,026	2,502
Auditors' remuneration	13	24
Operating leases		
Hire of plant and machinery	119	110
Loss on sale of assets	0	5
Loss on foreign exchange	0	22
	=====	=====
Depreciation of tangible fixed assets (note 9):		
owned assets	76	145
leased assets	29	0
	=====	=====

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

	1996 £000s	1995 £000s
5. <b>Directors and employees</b>		
<b>Staff costs including directors' emoluments</b>		
Wages and salaries	3,248 =====	2,502 =====
Average number employed including executive directors		
	1996	1995
Technical staff	118	102
Non technical and administration staff	33	31
	-----	-----
	151	13
	=====	=====
<b>Directors</b>		
Directors' emoluments	0 =====	0 =====
6. <b>Investment income</b>		
Interest receivable	357 =====	2 =====
7. <b>Interest payable</b>		
Bank interest and charges	20	18
Hire purchase interest	12	5
Other	0	2
	-----	-----
	32	25
	=====	=====
8. <b>Taxation</b>		
Corporation tax on profit on ordinary activities at 24% (1994 25%):	68	61
Double taxation relief	-11	-8
Overseas taxation	11	8
	-----	-----
	68	61
Under provision in earlier years	18	30
	-----	-----
	86	91
	=====	=====

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

## 9. Tangible fixed assets

## Cost or valuation

	Land and Buildings £000s	Office Equipment £000s	Motor Vehicles £000s	Fixtures and Fittings £000s	Total £000s
1 May 1995	41	901	144	254	1,340
Additions	-	127	-	28	155
Disposals	-	(5)	(18)	-	(23)
	-----	-----	-----	-----	-----
30 April 1996	41	1,023	126	282	1,472
	=====	=====	=====	=====	=====

## Depreciation

1 May 1995	41	743	141	194	1119
Additions	-	95	3	17	115
Disposals	-	(2)	(18)	(1)	(21)
	-----	-----	-----	-----	-----
30 April 1996	41	836	126	210	1213
	=====	=====	=====	=====	=====

## Net book amount

30 April 1996	-	187	-	72	259
	=====	=====	=====	=====	=====
1 May 1995	-	158	3	60	221
	=====	=====	=====	=====	=====

## 10. Debtors

## Amounts falling due within one year

	1996 £000s	1995 £000s
Trade debtors	1,584	1,078
Amounts owed by group undertakings	533	162
Other debtors	839	330
Prepayments and accrued income	156	158
	-----	-----
	3,112	1,728
	=====	=====

## 11. Creditors

## Amounts falling due within one year

	1996 £000s	1995 £000s
Bank overdrafts	194	70
Trade creditors	195	173
Amounts owed to group undertakings	1,625	793
Corporation tax	111	90
Other taxation and social security	170	193
Accruals and deferred income	109	95
Other creditors	281	40
	-----	-----
	2,685	1,454
	=====	=====

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

## 12. Creditors

1996	1995
£000s	£000s

Amounts falling due after more than one year:

Obligations under finance leases	44	105
	=====	=====

## 13. Reconciliation of movements in shareholders' funds

1996	1995
£000s	£000s

Profit for the financial year	129	102
Opening shareholders' funds	587	485
	-----	-----
Closing shareholders' funds	716	587
	=====	=====

## 14. Called up share capital

1996	1996	1995	1995
Number	£000s	Number	£000s
of Shares		of Shares	

Authorised ordinary shares of £1 each	1,000	1	1,000	1
	=====	=====	=====	=====
Allotted called up and fully paid ordinary shares of £1 each	1,000	1	1,000	1
	=====	=====	=====	=====

## 15. Profit and loss account

1996	1995
£000s	£000s

1 May	586	484
Retained profit for the year	129	102
	-----	-----
	715	586
	=====	=====

## 16. Equity minority interests

1996
£000s

1 May	2
Loss for the year	(4)
	-----
	(2)
	=====

## BURO HAPPOLD MANAGEMENT LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

30 April 1996

## 17. Group companies

Details of principal subsidiary undertakings:

	Activities (see below)	Country of Incorporation	Proportion of issued share capital held
Buro Happold Consulting Engineers Limited	(a)	England	100%
Buro Happold Limited	(a)	England	100%
Happold Ingenieurburo GmbH	(a)	Germany	90%
Minitec Limited	(b)	England	100%
Millennium Swimming Pools Limited	(b)	England	50%

The nature of the activities of the individual companies is as follows:

- (a) Engineering consultants
- (b) Dormant

The net assets (net of cash and cash equivalents) acquired were as follows:-

	£000s
Fixed assets at net book value	44
Debtors	3,199
Creditors	(2,192)
	-----
	1,051
Less pre-acquisition reserves	(435)
	-----
	616
	=====

## 18. Ultimate parent undertaking

The group's ultimate parent undertaking at the balance sheet date was Buro Happold Partnership, an unincorporated business based in England.