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ASSOCIATES IN BUILDING SERVICES LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000

Company Number 2117825



ASSOCIATES IN BUILDING SERVICES LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000**

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ASSOCIATES IN BUILDING SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS:

J W Ure
A I Spence
D R Hampton

SECRETARY:

A I Spence

REGISTERED OFFICE:

4 Merivale
Fleet
Hampshire
GU51 4EW

AUDITORS:

Morison Blueprint
Salisbury House
31 Finsbury Circus
London
EC2M 5SQ

ASSOCIATES IN BUILDING SERVICES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2000

The directors present their report and the audited financial statements of the company for the year ended 30 June 2000.

PRINCIPAL ACTIVITY

The principal activity of the company is that of project managers and consulting engineers in building design, construction and operation.

REVIEW OF BUSINESS

In anticipation of the end of millennium compliance commissions, the directors have guided the company to invest in new products and services. This investment is reflected in the reduced level of profit. The directors anticipate that investment will continue with returns forecast to flow during early 2001.

The results for the year are shown on page 5.

ENVIRONMENTAL POLICY

The protection of the environment and the preservation of life on earth present the greatest challenge to humanity today.

The company has had an Environmental Policy since 1993, and has worked to reduce its environmental impact since the company was formed in 1987.

We will continue to maintain sound environmental management practices across all our operations through the application of an ISO 14001 compliant management system. Our aim is to develop a dynamic system that will deliver best practice sustainable development throughout our business and our supply chains.

DIRECTORS AND THEIR INTERESTS

The directors who held office throughout the year and their beneficial interests in the issued share capital were as follows:

	Ordinary shares of 50p each	
	30 June 2000	30 June 1999
J W Ure	66,530	67,864
A I Spence	22,816	22,989
P T Pearce	-	-
D R Hampton	2,607	1,929

ASSOCIATES IN BUILDING SERVICES LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 30 JUNE 2000 - continued

CHARITABLE DONATIONS

During the year the company made charitable donations totalling £250 (1999 - £nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

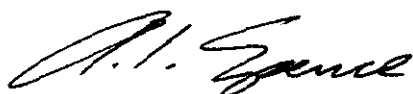
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs for the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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

The auditors, Morison Stoneham, have transferred their business to Morison Blueprint. In accordance with Section 26 of the Companies Act 1989, Morison Blueprint have been appointed as auditors to succeed Morison Stoneham, and will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.



Date of approval: *27 April 2001*

BY ORDER OF THE BOARD

A I SPENCE

SECRETARY

ASSOCIATES IN BUILDING SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ASSOCIATES IN BUILDING LIMITED

We have audited the financial statements of Associates in Building Limited for the year ended 30 June 2000 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

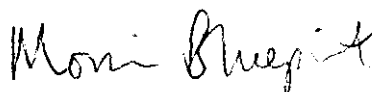
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Morison Blueprint
Registered Auditors
Date



Salisbury House
31 Finsbury Circus
London
EC2M 5SQ

ASSOCIATES IN BUILDING SERVICES LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2000**

	Note	2000 £	1999 £
TURNOVER	2	1,703,331	2,049,131
Cost of sales		(434,964)	(461,386)
		<hr/>	<hr/>
GROSS PROFIT		1,268,367	1,587,745
Administrative expenses		(1,253,491)	(1,575,201)
Other operating income		29,910	20,102
		<hr/>	<hr/>
OPERATING PROFIT	4	44,786	32,646
Interest receivable and similar income		19,316	45,149
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		64,102	77,795
Tax on profit on ordinary activities	5	(15,036)	(15,066)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		49,066	62,729
Retained profit brought forward		542,739	480,010
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		£591,805	£542,739
		<hr/>	<hr/>

There were no recognised gains and losses other than those shown in the Profit and Loss Account.

All amounts relate to continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

ASSOCIATES IN BUILDING SERVICES LIMITED

BALANCE SHEET AS AT 30 JUNE 2000

	Note	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	6		104,426		130,411
Trade investments	6		64,147		-
CURRENT ASSETS					
Work in progress		54,544		17,108	
Debtors	7	669,913		790,622	
Cash at bank and in hand		85,346		531,409	
			809,803		1,339,139
CREDITORS: Amounts falling due within one year	8	(336,571)		(876,811)	
NET CURRENT ASSETS			473,232		462,328
TOTAL ASSETS LESS CURRENT LIABILITIES			£641,805		£592,739
CAPITAL AND RESERVES					
Called up share capital	9		50,000		50,000
Profit and loss account			591,805		542,739
Shareholders' funds (all equity)	11		£641,805		£592,739

The notes on pages 7 to 11 form part of these financial statements.

The financial statements were approved by the Board on 27/4/01 and signed on its behalf by:



A I SPENCE - Director

ASSOCIATES IN BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000

1. ACCOUNTING POLICIES

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

b. Turnover

Turnover comprises the value of sales of goods and services, net of VAT.

c. Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a reducing balance basis over their expected useful lives as follows:

Equipment	- 25% per annum
Fixtures and fittings	- 25% per annum
Motor vehicles	- 25% per annum

d. Leases

Assets held under finance leases and hire purchase contracts are capitalised and included within tangible fixed assets. Rentals payable under operating leases are charged to the profit and loss account as incurred.

e. Taxation

Corporation tax payable is provided on taxable profits at current rates.

Deferred taxation is provided on the liability method on all timing differences except where, in the opinion of the directors, there is reasonable evidence that such taxation will not become payable in the foreseeable future and where there is no indication that the situation will change thereafter.

f. Work in progress

Work in progress is valued at the lower of cost and net realisable value.

The value of work done on uncompleted contracts is stated at cost including a proportion of overhead expenditure. Deductions are made for any foreseeable losses. Progress payments received or receivable are treated as deferred income.

g. Foreign currencies

Foreign currency transactions are recorded in sterling at the rate ruling on the date of the transaction. Profits or losses on these transactions are recognised in the Profit and Loss account.

ASSOCIATES IN BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000

1. ACCOUNTING POLICIES – continued

g. Foreign currencies - continued

Any foreign currency balances existing at the balance sheet date are converted at the rates ruling at that date.

h. Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement as it qualifies as a small company.

i. Pension costs

As detailed in note 10, the company operates a pension scheme for certain employees. Contributions are charged to the profit and loss account as incurred.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company. All sales are generated within the United Kingdom.

3. STAFF COSTS

Particulars of employees (including executive directors):

	2000 £	1999 £
Wages and salaries	695,032	1,021,845
Social security costs	106,113	112,106
Other pension costs	32,567	24,910
	<hr/>	<hr/>
	£833,712	£1,158,861
	<hr/>	<hr/>

The average number of persons employed by the company during the year was as follows:

	Number	Number
Contracts	24	24
Administration	3	3
	<hr/>	<hr/>
Included in employee costs are:		
Directors' emoluments	131,117	399,479
Pension contributions	6,416	5,924
	<hr/>	<hr/>
	£137,533	£405,403
	<hr/>	<hr/>
Emoluments of highest paid director	£69,734	£244,550
Pension contributions	£3,487	£3,218

ASSOCIATES IN BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 - continued

4. OPERATING PROFIT

This is stated after charging/(crediting):	2000 £	1999 £
Depreciation	35,075	39,448
(Profit)/Loss on disposal of fixed assets	(609)	(993)
Auditors' remuneration	8,350	7,500
Operating lease charge	55,300	57,005
Rent receivable	(28,376)	(20,102)
	<u> </u>	<u> </u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000 £	1999 £
Corporation tax payable at 20.75% (1999 - 21%)	£15,036	£15,066
	<u> </u>	<u> </u>

6. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
COST				
At 1 July 1999	78,600	19,668	126,102	224,370
Additions	12,881	5,250	-	18,131
Disposals	-	-	(32,404)	(32,404)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2000	91,481	24,918	93,698	210,097
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION				
At 1 July 1999	20,651	5,270	68,038	93,959
Charge for the year	16,997	4,357	13,721	35,075
Disposals	-	-	(23,363)	(23,363)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 June 2000	37,648	9,627	58,396	105,671
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE				
As at 30 June 2000	53,833	15,291	35,302	104,426
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 30 June 1999	57,949	14,398	58,064	130,411
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The company also owns 50,000 shares in TicketPlanet.com a US company. The shares are being held for investment purposes and are included in the accounts at their cost to the company.

ASSOCIATES IN BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 - continued

7. DEBTORS

	2000 £	1999 £
Amounts falling due within one year:		
Trade debtors	542,495	659,027
Other debtors	67,844	52,875
Prepayments	49,524	69,220
Corporation Tax recoverable	10,050	9,500
	<hr/>	<hr/>
	£669,913	£790,622
	<hr/>	<hr/>

8. CREDITORS:

	2000 £	1999 £
Amounts falling due within one year:		
Trade creditors	173,114	312,428
PAYE and social security	31,791	27,587
VAT	60,839	88,436
Other creditors	10,104	8,295
Corporation tax	15,036	-
Accruals and deferred income	45,687	440,065
	<hr/>	<hr/>
	£336,571	£876,811
	<hr/>	<hr/>

9. SHARE CAPITAL

	2000 £	1999 £
All equity:		
Authorised share capital		
150,000 Ordinary shares of 50p each	£75,000	£75,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
100,000 Ordinary shares of 50p each	£50,000	£50,000
	<hr/>	<hr/>

ASSOCIATES IN BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2000 - continued

10. PENSION COMMITMENTS

The company operates a pension scheme for the Directors and Associate Directors. Under the scheme there are specific target benefits based on the members' final pensionable earnings. However, the rules of the scheme limit the liability in respect of the members to whatever may be secured by contributions actually paid, together with investment income thereon. A contribution of £8,209 (1999 - £18,332) was paid by the Company for the year ended 30 June 2000.

The company also makes contributions into personal pension plans on behalf of certain employees. These contributions for the year ended 30 June 2000 amounted to £8,686 (1999 - £7,669).

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

All equity:	2000 £	1999 £
Retained profits	49,066	62,729
Shareholders' funds at 1 July 1999	592,739	530,010
	<hr/>	<hr/>
Shareholders' funds at 30 June 2000	£641,805	£592,739
	<hr/>	<hr/>

12. OPERATING LEASE COMMITMENTS

At 30 June 2000 the company had an annual commitment under non-cancelable operating leases in respect of leasehold premises of £55,300 (1999 - £50,000) expiring within five years.

13. ULTIMATE CONTROLLING PARTY

By virtue of their combined shareholding of 66.53% (1999 - 67.86%) of the issued share capital, Mr and Mrs J Ure are considered the ultimate controlling party.

14. RELATED PARTY TRANSACTIONS

During the year the company paid office rent of £50,000 (1999 - £50,000) to the pension scheme.