

COMPANY NUMBER 2504943

MOUNT ANVIL LIMITED AND SUBSIDIARY

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST JUNE 1991 TO 31ST OCTOBER 1992

20 FEB 1993
37

Barnes Roffe, Chartered Accountants
3 Brook Business Centre
Cowley Mill Road
Uxbridge, Middlesex UB8 2FX

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MOUNT AMVIL LIMITED AND SUBSIDIARY

DIRECTORS AND OTHER INFORMATION

Directors	C K Hurley B J Bennett	
Secretary	C K Hurley	
Registered Office	Elmcote House The Green Rickmansworth Hertfordshire WD3 3HN	
Auditors	Barnes Roffe 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX	
Bankers	Barclays Bank plc 32 Clarendon Road Watford WD1 1LD	
Solicitors	Summers 27 London Road Beaconsfield Bucks HP9 2HM	William Fry Audrey House 15-20 Ely Place London EC1N 6SN

MOUNT ANVIL LIMITED AND SUBSIDIARY

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31ST OCTOBER 1992

The directors present their report with the audited financial statements of the company for the 18 months period from 1st June 1991 to 31st October 1992.

PRINCIPAL ACTIVITIES

The principal activity of the group in the period under review was that of Design and Build Contractors.

CHANGE OF NAME

The company changed its name from Middlestone Enterprises Limited to Mount Anvil Limited on 30th September 1991.

RESULTS AND DIVIDENDS

The group profit for the period after taxation was £196,684 as detailed on page 4. Interim dividends of £80,700 were paid during the year.

REVIEW OF THE PERIOD

From commencement of trade in October 1991 the group has made outstanding progress. A number of prestigious Design and Build Contracts were secured and completed in the period.

Ongoing work in progress at the period end includes a Design and Build contract for phase 1 of a 2,000 bed scheme for the University of Greenwich. This is the largest student accommodation development in London at present and establishes Mount Anvil as a leader in this field.

The quality and performance during the period on all of the work we have undertaken has been outstanding. With a reputation already established for quality the directors expect the excellent performance for the period under review to be further improved upon in the current financial year.

DIRECTORS AND THEIR INTERESTS

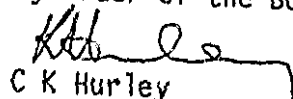
The directors of the company during the period and their interests in the issued share capital of the company were as follows:

		<u>Number of Shares</u>			
		<u>31/10/1992</u>		<u>31/5/1991</u>	
		A Shares	B Shares	A Shares	B Shares
C K Hurley	(appointed- 5/8/91)	40	10	-	-
B J Bennett	(appointed-29/9/90)	40	10	1	-
E Loughlin	(appointed-29/9/90 and resigned-5/8/91)	-	-	1	-

AUDITORS

In accordance with Section 385 of the Companies Act 1985, the first auditors, Barnes Roffe, will be proposed for re-appointment for the ensuing year at the general meeting.

By Order of the Board


C K Hurley
Secretary
12th February 1993

MOUNT ANVIL LIMITED AND SUBSIDIARY

AUDITORS REPORT TO THE MEMBERS OF MOUNT ANVIL LIMITED AND SUBSIDIARY

We have audited the financial statements on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31st October 1992 and of the group's profit and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



3 Brook Business Centre
Cowley Mill Road
Uxbridge
UB8 2FX

Barnes Roffe
Chartered Accountants
Registered Auditor

12th February 1993

MOUNT ANVIL LIMITED AND SUBSIDIARY

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31ST OCTOBER 1992

	<u>Notes</u>	<u>From 1/6/91</u> <u>to 31/10/92</u> £
TURNOVER	2	3,204,371
COST OF SALES		2,837,641
GROSS PROFIT		----- 366,730
Establishment and administrative expenses		199,980
OPERATING PROFIT	3	----- 166,750
Interest receivable	5	30,707
Interest payable	6	(773)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		----- 196,684
Tax on ordinary activities	7	50,198
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		----- 146,486
Dividends	8	80,700
RETAINED PROFIT FOR THE YEAR		----- 65,786 =====

The notes on pages 9 to 14 form an integral part of these financial statements

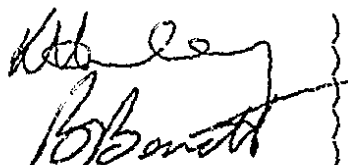
MOUNT ANVIL LIMITED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET AS AT 31ST OCTOBER 1992

	<u>Notes</u>	<u>1992</u>	<u>31/5/91</u>
		£	£
FIXED ASSETS			
Tangible assets	9	88,850	-
CURRENT ASSETS			
Work in progress		95,056	-
Debtors	11	503,077	-
Cash at bank and in hand		1,213,116	2
		-----	-----
		1,811,249	2
CREDITORS - amounts falling due within one year	12	940,688	-
		-----	-----
NET CURRENT ASSETS		870,561	2
		-----	-----
TOTAL ASSETS LESS CURRENT ASSETS		959,411	2
CREDITORS - amounts falling due after more than one year	13	93,525	-
		-----	-----
NET ASSETS		865,886	2
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	14	100	2
Profit and loss account		65,786	-
Zero coupon loan stock 1994		800,000	-
		-----	-----
		865,886	2
		=====	=====

Approved by the board on 12th February 1993
and signed on its behalf by:

C K Hurley



Directors

B J Bennett



The notes on pages 9 to 14 form an integral part of these financial statements

MOUNT ANVIL LIMITED AND SUBSIDIARY

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH OCTOBER 1992

	<u>Note</u>	<u>1992</u> <u>£</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	a	468,497
RETURNS OF INVESTMENT AND SERVICING OF FINANCE		
- Interest received		30,707
- Interest paid		(773)
- Dividends paid		(80,700)

NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE		417,731
INVESTMENT ACTIVITIES		
- Purchase of tangible fixed assets		(122,141)

NET CASH INFLOW BEFORE FINANCING		295,590
FINANCING		
- Net inflow from financing		917,526

NET INCREASE IN CASH AND CASH EQUIVALENTS	b	1,213,116
		=====

The notes on pages 9 to 14 form an integral part of these accounts

MOUNT ANVIL LIMITED AND SUBSIDIARY

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH OCTOBER 1992

NOTES TO THE CASH FLOW STATEMENT

1992
£

a. Reconciliation of Operating Profit
to Net Cash Inflow from Operating Activities

Operating profit	166,750
Depreciation charges	33,291
Increase in work in progress	(95,056)
Increase in debtors	(503,077)
Increase in creditors	866,589

NET CASH INFLOW FROM OPERATING PROFIT ACTIVITIES	468,497
	=====

b. Analysis of Changes in Cash and Cash
Equivalents during the Period

Balance brought forward	-
Net cash inflow	1,213,116

Balance carried forward	1,213,116
	=====

c. Analysis of the Balances of Cash and Cash
Equivalents as Shown in the Balance Sheet

	<u>1992</u> <u>£</u>	<u>Change in Period</u>
Cash at bank and in hand	1,213,116	1,213,116
	-----	-----
	1,213,116	1,213,116
	=====	=====

d. Analysis of Changes in Financing
during the Period

	<u>Change in Period</u> <u>£</u>
Issue of ordinary share capital	100
Issue of loan stock	800,000
New loans	50,000
Net inflow from hire purchase	67,426

	917,526
	=====

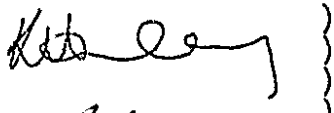
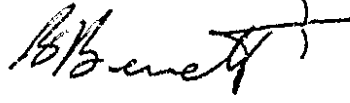
The notes on pages 9 to 14 form an integral part of these accounts

MOUNT ANVIL LIMITED AND SUBSIDIARY

COMPANY BALANCE SHEET AS AT 31ST OCTOBER 1992

	<u>Notes</u>	£	<u>1992</u>	£	£	<u>31/5/91</u>	£
FIXED ASSETS							
Tangible assets	9		88,850			-	
Investments	10		199,998			-	
			-----			-----	
			288,848			-	
CURRENT ASSETS							
Work in progress			7,138			-	
Debtors	11		229,041			-	
Cash at bank and in hand			123,068			2	
			-----			-----	
			359,247			2	
CREDITORS - amounts falling due within one year	12		441,819			-	
			-----			-----	
NET CURRENT (LIABILITIES)/ASSETS			(82,572)			2	
			-----			-----	
TOTAL ASSETS LESS CURRENT LIABILITIES			206,276			2	
CREDITORS - amounts falling due after more than one year	13		193,525			-	
			-----			-----	
NET ASSETS			12,751			2	
			=====			=====	
CAPITAL AND RESERVES							
Called up share capital	14		100			2	
Profit and loss account			12,651			-	
			-----			-----	
			12,751			2	
			=====			=====	

Approved by the board on 12th February 1993
and signed on its behalf by:

C K Hurley  } Directors
B J Bennett  }

The notes on pages 9 to 14 form an integral part of these financial statements

MOUNT ANVIL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

1. ACCOUNTING POLICIES

1.1 Accounting Convention

The financial statements have been prepared under the historical cost convention. The consolidated financial statements consist of the financial statements of all companies in the group, all of which are made up to 31st October 1992.

1.2 Turnover

This represents amounts invoiced during the period for work certified as complete, net of value added tax.

1.3 Depreciation of Tangible Fixed Assets

Tangible fixed assets are depreciated on a straight line basis at the following rates to reduce the cost to the anticipated residual value at the end of the expected useful lives of those assets:

Plant and equipment	: 25%	per annum
Motor vehicles	: 25%	per annum
Office furniture and equipment	: 33.3%	per annum

1.4 Work In Progress

Work in progress is valued at the lower of cost and estimated realisable value including attributable profit less any foreseeable losses and progress payment receivable.

Attributable profit is determined by reference to the duration of the contract and the proportion of the work done at the balance sheet date.

1.5 Deferred Taxation

Deferred taxation is provided using the liability method if it can be foreseen with reasonable probability that a liability will arise in the future.

1.6 Hire Purchase Contracts

Assets purchased by hire purchase are depreciated over their expected useful lives and finance charges are allocated to accounting periods on a straight line basis over the duration of the contract.

HOUNT ANVIL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

2. TURNOVER

The turnover and pre-tax result are mainly attributable to the group's activity of Design and Build Contractors.

The turnover arises entirely in the U.K.

3. OPERATING PROFIT

Group
1992
£

This is stated after charging (crediting) :

Depreciation	33,291
Hire of equipment	33,220
Auditors' remuneration	5,665
	=====

The company has not presented its own profit and loss account in accordance with the exemption granted by Section 228(7) of the Companies Act 1985. The amount of the retained profit dealt with in the accounts of the company was £12,651.

4. EMPLOYEE INFORMATION

Group
1992
£

4.1 Staff costs including directors:

Wages and salaries	356,377
Social security costs	36,324
Pension costs	4,374

	397,075
	=====

4.2 The average weekly number of employees including directors during the period was as follows:

Group
No.

Administration	5
Operations management	9
Sales executives	1

	15
	===

MOUNT ANVIL LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

4. EMPLOYEE INFORMATION-continued

Group
1992
£

4.3 Directors' emoluments

Fees and salaries
Pension contributions
Other emoluments

90,000
4,374
2,882

97,256
=====

Further details, excluding pension contributions:

46,924
=====

Chairman

Directors' emoluments fell within the
following ranges:

No.

£45,001 - £50,000

2

5. INTEREST RECEIVABLE

Group
1992
£

Bank interest

30,707
=====

6. INTEREST PAYABLE

Group
1992
£

Other interest

773

773
=====

7. TAXATION

Group
1992
£

The tax charge on the profit on ordinary
activities for the period was as follows:

UK corporation tax at 25%

50,198
=====

MOUNT ANVIL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

8. DIVIDENDS

	<u>Group</u> <u>1992</u> £
A Ordinary shares	40,000
B Ordinary shares	40,700

Interim dividend paid	80,700
	=====

9. TANGIBLE FIXED ASSETS
Parent and Group:

	Motor Vehicles	Office Furniture & Equipment	Plant and Equipment	Total
	£	£	£	£
Cost:				
Additions	88,370	33,071	700	122,141
	-----	-----	-----	-----
At 31st October 1992	88,370	33,071	700	122,141
	-----	-----	-----	-----
Depreciation:				
Charge for the period	22,093	11,023	175	33,291
	-----	-----	-----	-----
At 31st October 1992	22,093	11,023	175	33,291
	-----	-----	-----	-----
Net book value at 1st June 1991	-	-	-	-
	=====	=====	=====	=====
Net book value at 31st October 1992	66,277	22,048	525	88,850
	=====	=====	=====	=====

Included in motor vehicles are assets purchased under hire purchase arrangements. At 31st October 1992 the net book value of these assets amounted to £54,915. During the year depreciation of £18,305 was charged in respect of these vehicles.

MOUNT ANVIL LIMITED AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

10.	FIXED ASSET INVESTMENTS	<u>Parent</u> £
	Shares in group undertaking	
	-Subsidiary-Mount Anvil Construction Limited	199,998
		=====

On 23rd April 1992 the company acquired 99.9% of the issued share capital, consisting of Ordinary shares of £1 each, in Mount Anvil Construction Limited. The fair value of the consideration given is £199,998. The subsidiary also undertakes Design and Build Contracts and is incorporated in England.

11.	DEBTORS	<u>Group</u> <u>1992</u> £	<u>Parent</u> <u>1992</u> £
	Trade debtors	390,449	58,410
	Amounts owed by group undertaking	-	133,922
	Other debtors	81,284	11,742
	Prepayments	31,344	24,967
		-----	-----
		503,077	229,041
		=====	=====

Trade debtors include £46,526 which represents retentions on contracts which are recoverable after more than one year.

12.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>Group</u> <u>1992</u> £	<u>Parent</u> <u>1992</u> £
	Obligations under hire purchase contracts	23,901	23,901
	Trade creditors	728,803	266,354
	Corporation tax	50,198	32,487
	Other taxes and social security costs	12,135	12,135
	Directors' current accounts	84,469	84,469
	Other creditors	21,017	4,717
	Accruals	20,165	17,756
		-----	-----
		940,688	441,819
		=====	=====

MOUNT ANVIL LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 1992

13. CREDITORS - AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

<u>Group</u> <u>1992</u> £	<u>Parent</u> <u>1992</u> £
Other loans	
Obligations under hire	
purchase contracts	
Amounts owed to group undertaking	
50,000	50,000
43,525	43,525
-	100,000
-----	-----
93,525	193,525
=====	=====

14. SHARE CAPITAL

Authorised:

1992
£

1,000,000 Ordinary shares of £1 each

1,000,000
=====

Issued and fully paid:

80 A Ordinary shares of £1 each
20 B Ordinary shares of £1 each

80
20

100
=====

15. CONTINGENT LIABILITIES

The subsidiary undertaking has given an indemnity dated 10th August 1992 to Barclays Bank PLC in consideration for the provision of a guarantee for £30,000 to a third party in the normal course of business.