



**MOUNT ANVIL LIMITED**

**Report and Financial Statements**

**31 October 1995**

**Deloitte & Touche  
Verulam Point  
Station Way  
St Albans  
Hertfordshire  
AL1 5HE**





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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

B J Bennett  
C K Hurley  
D L Borer  
R Upton

**SECRETARY**

C K Hurley

**REGISTERED OFFICE**

Anvil House  
Radlett Road  
Colney Street  
St Albans  
Hertfordshire  
AL2 2HA

**BANKERS**

Bank of Ireland plc  
33 London Road  
Kingston Upon Thames  
Surrey  
KT2 6ND

Barclays Bank plc  
32 Clarendon Road  
Watford  
WD1 1LD

**SOLICITORS**

Woodhouse Smith  
Davies House  
Lower Road  
Chalfont St Peter  
Bucks  
S29 9AZ

Radcliffe Crossman Block  
5 Great College Street  
Westminster  
London  
SW1 3SJ

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Verulam Point  
Station Way  
St Albans  
Hertfordshire  
AL1 5HE



## Chartered Accountants

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Verulam Point  
Station Way  
St Albans  
Hertfordshire AL1 5HE

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## AUDITORS' REPORT TO MOUNT ANVIL LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 4 to 8 together with the full financial statements of Mount Anvil Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1995.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

### Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

### Opinion

In our opinion the company is entitled under sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 October 1995, and the abbreviated accounts on pages 4 to 8 have been properly prepared in accordance with that Schedule.

On 30 August 1996 we reported, as auditors of Mount Anvil Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1995, and our audit report was as follows:

"We have audited the financial statements on pages 6 to 14 which have been prepared under the accounting policies set out on page 10.

### Respective responsibilities of directors and auditors

As described on page 4 the company'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 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 31 October 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies."

The statement of directors' responsibilities referred to in our audit report on the full financial statements, reproduced above, was as follows:

"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 as at the end of the financial year 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. 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."

Chartered Accountants and Registered Auditors

30 August 1996



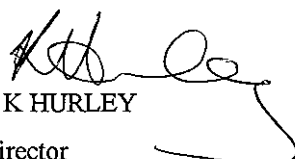
**BALANCE SHEET**  
**As at 31 October 1995**

	Note	1995 £	1994 £
<b>FIXED ASSETS</b>			
Investment	2	199,998	199,998
<b>CURRENT ASSETS</b>			
Work in progress		-	12,263
Debtors	3	120,310	374,442
Cash at bank and in hand		4,570	88,157
		124,880	474,862
<b>CREDITORS: amounts falling due within one year</b>	4	(182,057)	(472,824)
<b>NET CURRENT(LIABILITIES)/ASSETS</b>		(57,177)	2,038
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		142,821	202,036
<b>CREDITORS: amounts falling due after more than one year</b>	5	(46,510)	(30,182)
<b>NET ASSETS</b>		96,311	171,854
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	100,000	100,000
Profit and loss account		(3,689)	71,854
<b>EQUITY SHAREHOLDERS' FUNDS</b>		96,311	171,854

Advantage has been taken in the preparation of these accounts of the special exemptions applicable to small companies under Part III of Schedule 8 of the Companies Act 1985. In the opinion of the directors the company is entitled to these exemptions on the grounds that it has met the qualifications for a small company specified in Sections 246 and 247.

These financial statements were approved by the Board of Directors on 29 August 1996

Signed on behalf of the Board of Directors

  
C K HURLEY  
Director

**PROFORMA STATEMENT OF FINANCIAL POSITION SHOWING EFFECT OF POST BALANCE SHEET EVENT (ILLUSTRATIVE ONLY)**

Set out below is a proforma statement of the financial position of Mount Anvil Limited after the introduction of further share capital as described in note 7. No account has been taken of trading results since the date of the balance sheet.

	1995 £
<b>NET ASSETS</b>	446,311
<b>CAPITAL AND RESERVES</b>	<u>400,000</u>
Called up share capital	50,000
Share premium	(3,689)
Profit and loss account	<u>446,311</u>
Equity shareholders funds	<u>446,311</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 October 1995**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Consolidation**

The company has taken advantage of the exemption granted under Section 249 of the Companies Act 1985 not to prepare group accounts, as the group qualifies as a medium group.

**Work in progress**

Contract work-in-progress is stated at cost plus, where the outcome can be assessed with reasonable certainty, estimated profits attributable to the state of completion, less provision for any known or anticipated losses and progress payments receivable on account.

Advance and progress payments are included under creditors to the extent that they exceed the related book value of work-in-progress.

**Investments**

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

**Leases**

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to income in equal annual amounts over the lease term.

**Pension costs**

The company operates a deferred contribution pension scheme for the benefit of Directors.

**2. INVESTMENTS HELD AS FIXED ASSETS**

	1995 £	1994 £
Shares in group undertaking	199,998	199,998

Investments represent the cost of acquiring all of the ordinary share capital of Mount Anvil Construction Limited, a company which undertakes Design and Build contracts and Property development and is registered in England. The share capital and reserves of Mount Anvil Construction Limited at 31 October 1995 were £204,369 and its loss after taxation for the year then ended was £326,001.



**NOTES TO THE ACCOUNTS**  
**Year ended 31 October 1995**

**3. DEBTORS**

	1995 £	1994 £
Trade debtors	34,968	155,840
Amounts owed by subsidiary company	22,460	171,066
Other debtors	19,814	17,645
Prepayments and accrued income	40,006	29,891
Corporation tax	3,062	-
	<u>120,310</u>	<u>374,442</u>

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	1995 £	1994 £
Trade creditors	63,804	308,541
Obligations under hire purchase contracts	47,998	33,386
Current corporation tax	-	37,650
Other taxes and social security	55,914	22,564
Other creditors	779	778
Accruals and deferred income	13,562	69,905
	<u>182,057</u>	<u>472,824</u>

**5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	1995 £	1994 £
Obligations under hire purchase contracts due within 2 to 5 years	<u>46,510</u>	<u>30,182</u>

**6. CALLED UP SHARE CAPITAL**

	1995 £	1994 £
Authorised 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Called up, allotted and fully paid		
A ordinary shares of £1 each	99,980	99,980
B ordinary shares of £1 each	20	20
	<u>100,000</u>	<u>100,000</u>



**NOTES TO THE ACCOUNTS**

**Year ended 31 October 1995**

**7. POST BALANCE SHEET EVENT**

On the 28 June 1996 a further £300,000 of ordinary share capital was issued at a premium of 16.67 pence per share, giving a total consideration received of £350,000. This brought the total capital base of the company to £450,000 as shown on the proforma balance sheet on page 5.

**8. ULTIMATE PARENT COMPANY**

As a result of the injection of share capital described in note 7 above, as of 28 June 1996 the ultimate parent company became Peaston & Co, copies of the financial statements for that company are available from 17 Landsdown Crescent, Edinburgh.