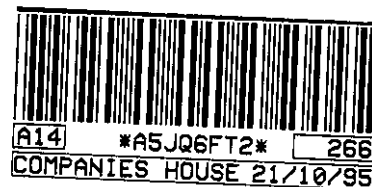


**ROWLINSON CONSTRUCTIONS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 1995**

**COMPANY NUMBER 2596893**



# **ROWLINSON CONSTRUCTIONS LIMITED**

**31 MARCH 1995**

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## **ROWLINSON CONSTRUCTIONS LIMITED**

### **NOTICE OF MEETING**

Notice is hereby given that the annual general meeting of the company will be held at its registered office on Monday, 24 July 1995 at 10.35 am to:

- 1 Receive the directors' report and the audited financial statements for the year ended 31 March 1995.
- 2 Re-elect Mr D J Roberts as a director.
- 3 Re-appoint Price Waterhouse as auditors.
- 4 Transact any other business of an annual general meeting.

Any member entitled to attend and vote may appoint another person (whether a member or not) as his/her proxy to attend and vote instead of him/her.

By Order of the Board

S B DEAVILLE  
Secretary

24 July 1995

London House  
London Road South  
Poynton  
Stockport  
Cheshire  
SK12 1YP

# **ROWLINSON CONSTRUCTIONS LIMITED**

## **COMPANY INFORMATION**

Directors	P J Rowlinson (Chairman)
	P M Rowlinson
	D J Roberts
	N K Rawlings (Resigned 1 August 1994)
Secretary	S B Deaville
Registered Office	London House
	London Road South
	Poynton
	Stockport
	Cheshire
	SK12 1YP
Auditors	Price Waterhouse
	York House
	York Street
	Manchester
	M2 4WS

## **ROWLINSON CONSTRUCTIONS LIMITED**

### **REPORT OF THE DIRECTORS**

The directors present their annual report and the audited financial statements of the Company for the year ended 31 March 1995.

#### **ACTIVITIES**

The company's principal activity is contract building.

#### **RESULTS AND DIVIDEND**

The profit after taxation for the year amounts to £296,423 (1994 - £382,347) and has been credited to the profit and loss account resulting in a balance to be carried forward of £959,303.

#### **REVIEW OF THE BUSINESS**

The directors consider the results of the business to be reasonable. The Company is a member of the Rowlinson Securities PLC group of companies and a review of the business of the group is contained within the chairman's statement which is included in the published group financial statements.

#### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year and at the date of this report are shown on page 2. D J Roberts retires by rotation at the Annual General Meeting and, being eligible, offers himself for re-election.

None of the directors has an interest in any of the company's shares.

Messrs P J Rowlinson and P M Rowlinson are also directors of the parent company and therefore their interests in the share capital of that company and other group companies are disclosed in the parent company's financial statements.

#### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF PREPARATION OF THE FINANCIAL STATEMENTS**

The directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of each financial year and of the profit of the company for that period. In preparing the financial statements, the directors confirm that they have:

- selected appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- followed applicable accounting standards.

The directors are responsible for ensuring the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which ensure that the financial statements comply with the Companies Act 1985. The directors have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **ROWLINSON CONSTRUCTIONS LIMITED**

### **REPORT OF THE DIRECTORS (CONTINUED)**

#### **COMPANY STATUS**

The company is a close company within the meaning of Section 414 Income and Corporation Taxes Act 1988.

#### **AUDITORS**

Price Waterhouse have indicated their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

The report of the directors was approved by the Board on 24 July 1995 and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'S. B. Deaville', with a stylized flourish at the end.

S B DEAVILLE  
Secretary

*Price Waterhouse*



## **REPORT OF THE AUDITORS TO THE MEMBERS OF ROWLINSON CONSTRUCTIONS LIMITED**

We have audited the financial statements on pages 6 to 11 which have been prepared under the historical cost convention and accounting policies set out on page 8.

### **Respective responsibilities of directors and auditors**

As described in the report of the directors, the company's directors are responsible for the preparation of the 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 affairs of the company as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors

24 July 1995  
Manchester

**ROWLINSON CONSTRUCTIONS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 1995**

	<u>1995</u> £	<u>1994</u> £
<b>TURNOVER</b> (Note 1)	8,647,469	5,741,426
Cost of sales	<u>(7,632,492)</u>	<u>(4,640,459)</u>
<b>GROSS PROFIT</b>	1,014,977	1,100,967
Administrative expenses	(577,400)	(521,300)
Interest payable and similar charges (Note 4)	<u>-</u>	<u>(9,000)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> (Note 2)	437,577	570,667
Taxation (Note 5)	<u>(141,154)</u>	<u>(188,320)</u>
<b>PROFIT RETAINED FOR THE YEAR</b> (Note 9)	<u>296,423</u>	<u>382,347</u>

There were no recognised gains or losses for the year other than the profit shown above.

The profits shown above are on a historical cost basis.

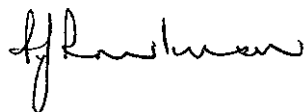


**ROWLINSON CONSTRUCTIONS LIMITED****BALANCE SHEET - 31 MARCH 1995**

	<u>1995</u> £	<u>1994</u> £
<b>CURRENT ASSETS</b>		
Debtors (Note 6)	1,905,004	1,555,718
<b>CREDITORS: Amounts falling due within one year (Note 7)</b>	<u>(944,701)</u>	<u>(891,838)</u>
<b>NET CURRENT ASSETS</b>	960,303	663,880
	<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	960,303	663,880
	<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 8)	1,000	1,000
Profit and loss account (Note 9)	<u>959,303</u>	<u>662,880</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	960,303	663,880
	<hr/>	<hr/>

There were no movements in shareholders' funds during the year other than the profit for the year.

The financial statements were approved by the Board on 24 July 1995 and signed on their behalf by:



Peter James Rowlinson  
DIRECTOR

# **ROWLINSON CONSTRUCTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1995**

### **1 ACCOUNTING POLICIES**

#### **(a) Accounting convention**

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

#### **(b) Stock and work in progress**

Stock of land for development is included at acquisition cost or net realisable value whichever is the lower. Net realisable value for this purpose is estimated selling value less estimated selling costs.

Contract building work in progress is valued at cost or net realisable value, whichever is the lower. Cost for this purpose includes all direct costs as defined below and, where appropriate, attributable finance charges. Cost includes direct labour and materials, work done by sub-contractors, hire of plant and equipment used on contract sites, and all overheads except those relating to administration. Net realisable value for this purpose is estimated selling value less costs to completion including selling costs.

#### **(c) Long term contracts - profit recognition**

Long term contracts are those extending in excess of 12 months and any of a shorter duration which are material to the activity of the period.

Attributable profit is recognised once the outcome of a long term contract can be assessed with reasonable certainty. Attributable profit is recognised on the cost percentage complete method. Immediate provision is made for all foreseeable losses if a contract is assessed as unprofitable.

#### **(d) Pensions**

The company operates a defined contribution pension scheme to provide retirement benefits for certain employees. Contributions are charged as an expense in the year they are incurred.

#### **(e) Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Provision is made for deferred taxation only to the extent that it is probable that the tax will become payable. The provision is made at the rate at which it is estimated the tax will be paid.

#### **(f) Turnover**

Turnover represents work done in respect of contract building work carried out during the year, and proceeds from land sales.

# **ROWLINSON CONSTRUCTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1995 (CONTINUED)**

### **2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<u>1995</u>	<u>1994</u>
	£	£
The profit on ordinary activities before taxation is stated after charging:		
Hire of plant and machinery	323,585	209,400
Auditors' remuneration	-	-
	<u>          </u>	<u>          </u>

The audit fee for the Rowlinson Securities PLC group is borne by one member of the group and is recharged by way of the management charge.

### **3 STAFF COSTS**

The average number of employees in each week during the year was:

	<u>1995</u>	<u>1994</u>
	Number	Number
Construction and development work	51	37
	<u>          </u>	<u>          </u>
Their remuneration during the year was:	£	£
Wages and salaries	551,010	325,560
Social security costs	<u>43,653</u>	<u>26,876</u>
	594,663	352,436
	<u>          </u>	<u>          </u>

Salaried site staff, administration staff and directors are paid by a related Company. Their costs are recharged to the company by means of a direct recharge for site staff and management charges. In the year this recharge included emoluments of a director who is not a director of the parent company of £41,163 (1994 - £35,607).

### **4 INTEREST PAYABLE AND SIMILAR CHARGES**

	<u>1995</u>	<u>1994</u>
	£	£
Bank interest recharged by a fellow subsidiary	-	9,000
	<u>          </u>	<u>          </u>

# **ROWLINSON CONSTRUCTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1995 (CONTINUED)**

### **5 TAXATION**

Corporation tax has been calculated at 33%

The taxation charge for the year comprises:

	<u>1995</u>	<u>1994</u>
	£	£
Corporation tax on the profit for the year	144,401	188,320
Corporation tax adjustment in respect of prior year	<u>(3,247)</u>	<u>-</u>
	<u>141,154</u>	<u>188,320</u>

### **6 DEBTORS**

	<u>1995</u>	<u>1994</u>
	£	£
Amount recoverable under long term contracts	985,200	336,400
Amount owed by fellow subsidiaries	<u>919,804</u>	<u>1,219,318</u>
	<u>1,905,004</u>	<u>1,555,718</u>

### **7 CREDITORS: Amounts falling due within one year**

	<u>1995</u>	<u>1994</u>
	£	£
Corporation tax	144,401	190,138
Accruals and deferred income	<u>800,300</u>	<u>701,700</u>
	<u>944,701</u>	<u>891,838</u>

# ROWLINSON CONSTRUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1995 (CONTINUED)

### 8 SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised, issued and fully paid Ordinary Shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>

### 9 PROFIT AND LOSS ACCOUNT

	£
As at 1 April 1994	662,880
Profit for the year	<u>296,423</u>
As at 31 March 1995	<u>959,303</u>

### 10 COMMITMENTS AND GUARANTEES

At 31 March 1995 there existed performance bonds and similar agreements entered into in the normal course of business.

### 11 ULTIMATE PARENT COMPANY

The ultimate parent company is Rowlinson Securities PLC, which is registered in England. Rowlinson Securities PLC is the only company to consolidate the accounts of Rowlinson Constructions Limited and copies of the Group accounts of Rowlinson Securities PLC can be obtained from The Registrar of Companies, Companies House, Cardiff, CF4 3UZ.