

REGISTERED NUMBER. 5384316 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2006
FOR
MCLAREN CONSTRUCTION GROUP LIMITED**

THURSDAY



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MCLAREN CONSTRUCTION GROUP LIMITED

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FOR THE YEAR ENDED 31ST JULY 2006**

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MCLAREN CONSTRUCTION GROUP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST JULY 2006**

DIRECTORS:	K R Taylor P J Pringle
SECRETARY:	K R Taylor
REGISTERED OFFICE:	3 Warners Mill Silks Way Braintree Essex CM7 3GB
REGISTERED NUMBER:	5384316 (England and Wales)
AUDITORS:	Lambert Chapman Chartered Accountants Registered Auditors 3 Warners Mill Silks Way Braintree Essex CM7 3GB
BANKERS	NatWest Bank plc PO Box 6118 Chelmsford Essex CM1 1BQ
SOLICITORS:	Wortley, Redmayne and Kershaw Stonebridge House, Stonebridge Walk 51a High Street Chelmsford Essex CM1 1EY

MCLAREN CONSTRUCTION GROUP LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JULY 2006

The directors present their report with the financial statements of the company and the group for the year ended 31st July 2006

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of a holding company

The principal activities of the other group companies are

McLaren Construction Limited - general construction and civil engineering,
McLaren Constructing Limited - dormant company

REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements

Once again we have experienced a successful year resulting in a turnover in excess of £71 million which has given rise to £1.5 million being added to our reserves

During the year we have inwardly invested, opening regional offices in Birmingham and Winchester together with purchasing our new head office facility in Brentwood. These offices support our strategic UK expansion programme in line with our business plan.

Work sectors include industrial, retail, education, hotels and commercial offices. Constant delivery in these sectors, to our clients' satisfaction, continues to demonstrate our in-depth capabilities and strength as a leading construction company.

Moving into the next financial year (06-07) we are pleased to announce we have already achieved a secured turnover in excess of £100 million with our valued existing clients.

DIVIDENDS

No dividends will be distributed for the year ended 31st July 2006

DIRECTORS

The directors shown below have held office during the whole of the period from 1st August 2005 to the date of this report.

K R Taylor
P J Pringle

Other changes in directors holding office are as follows:

R Feast resigned on 31st May 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these 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.

MCLAREN CONSTRUCTION GROUP LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JULY 2006**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Lambert Chapman, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

X  X
K R Taylor - Director

X Date 31st May 2007

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MCLAREN CONSTRUCTION GROUP LIMITED**

We have audited the financial statements of McLaren Construction Group Limited for the year ended 31st July 2006 on pages five to nineteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on pages two and three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors 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 International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 31st July 2006 and of the profit of the group for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.



Lambert Chapman
Chartered Accountants
Registered Auditors
3 Warners Mill
Silks Way
Braintree
Essex
CM7 3GB

Date

31/5/07

MCLAREN CONSTRUCTION GROUP LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 2006

	Notes	2006 £	£	2005 £	£
TURNOVER			71,008,238		48,343,484
Cost of sales			64,462,516		44,312,240
GROSS PROFIT			6,545,722		4,031,244
Administrative expenses			2,712,231		2,324,809
OPERATING PROFIT	3		3,833,491		1,706,435
Income from fixed asset investments		389,153		223,133	
Interest receivable and similar income		28,711		17,147	
			417,864		240,280
			4,251,355		1,946,715
Interest payable and similar charges	4		1,061		136
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			4,250,294		1,946,579
Tax on profit on ordinary activities	5		1,254,376		594,758
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			2,995,918		1,351,821

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

MCLAREN CONSTRUCTION GROUP LIMITED

**CONSOLIDATED BALANCE SHEET
31ST JULY 2006**

	Notes	2006 £	2005 £
FIXED ASSETS			
Tangible assets	8	2,795,576	185,706
Investments	9	-	-
		<u>2,795,576</u>	<u>185,706</u>
CURRENT ASSETS			
Stocks	10	169,594	96,604
Debtors	11	11,354,776	4,692,455
Investments	12	1,777	8,289,875
Cash at bank and in hand		20,518,870	1,358,736
		<u>32,045,017</u>	<u>14,437,670</u>
CREDITORS			
Amounts falling due within one year	13	29,490,139	12,344,810
		<u>29,490,139</u>	<u>12,344,810</u>
NET CURRENT ASSETS		<u>2,554,878</u>	<u>2,092,860</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,350,454</u>	<u>2,278,566</u>
CREDITORS			
Amounts falling due after more than one year	14	75,970	-
		<u>75,970</u>	<u>-</u>
NET ASSETS		<u><u>5,274,484</u></u>	<u><u>2,278,566</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	10,400	10,400
Profit and loss account	18	5,264,084	2,268,166
		<u>5,274,484</u>	<u>2,278,566</u>
SHAREHOLDERS' FUNDS	20	<u><u>5,274,484</u></u>	<u><u>2,278,566</u></u>

The financial statements were approved by the Board of Directors on 21st May 2007 and were signed on its behalf by

 X
K R Taylor - Director

The notes form part of these financial statements


MCLAREN CONSTRUCTION GROUP LIMITED

**COMPANY BALANCE SHEET
31ST JULY 2006**

	Notes	2006 £	2005 £
FIXED ASSETS			
Tangible assets	8	-	-
Investments	9	10,410	10,410
		<u>10,410</u>	<u>10,410</u>
CURRENT ASSETS			
Debtors	11	1,414,712	224,774
CREDITORS			
Amounts falling due within one year	13	-	224,784
NET CURRENT ASSETS/(LIABILITIES)		<u>1,414,712</u>	<u>(10)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,425,122</u></u>	<u><u>10,400</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	10,400	10,400
Profit and loss account	18	1,414,722	-
SHAREHOLDERS' FUNDS	20	<u><u>1,425,122</u></u>	<u><u>10,400</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the Board of Directors on 31st May 2007 and were signed on its behalf by


K R Taylor - Director

MCLAREN CONSTRUCTION GROUP LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2006**

	Notes	2006 £	£	2005 £	£
Net cash inflow from operating activities	1		14,878,057		6,193,677
Returns on investments and servicing of finance	2		416,803		240,144
Taxation			(939,894)		(321,462)
Capital expenditure and financial investment	2		(2,719,482)		(3,210,892)
Equity dividends paid			-		(400,000)
			<u>11,635,484</u>		<u>2,501,467</u>
Financing	2		7,524,650		(111,530)
Increase in cash in the period			<u>19,160,134</u>		<u>2,389,937</u>
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		19,160,134		2,389,937	
Cash (inflow)/outflow from (decrease)/increase in liquid resources		(8,288,098)		3,163,110	
Cash inflow from increase in debt and lease financing		<u>(81,840)</u>		<u>-</u>	
Change in net funds resulting from cash flows			<u>10,790,196</u>		<u>5,553,047</u>
Movement in net funds in the period			10,790,196		5,553,047
Net funds at 1st August			<u>9,648,611</u>		<u>4,095,564</u>
Net funds at 31st July			<u>20,438,807</u>		<u>9,648,611</u>

The notes form part of these financial statements

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2006**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006	2005
	£	£
Operating profit	3,833,491	1,706,435
Depreciation charges	102,275	37,788
Loss/(Profit) on disposal of fixed assets	7,337	(2,233)
(Increase)/Decrease in stocks	(72,990)	111,298
Increase in debtors	(5,817,033)	(225,568)
Increase in creditors	16,824,977	4,565,957
Net cash inflow from operating activities	14,878,057	6,193,677

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2006	2005
	£	£
Returns on investments and servicing of finance		
Interest received	28,711	17,147
Interest paid	(243)	(136)
Interest element of hire purchase payments	(818)	-
Dividends received	389,153	223,133
Net cash inflow for returns on investments and servicing of finance	416,803	240,144
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,858,982)	(332,081)
Sale of tangible fixed assets	139,500	284,299
Cash Payments - Investment Purchase	-	(3,163,110)
Net cash outflow for capital expenditure and financial investment	(2,719,482)	(3,210,892)
 Financing		
Capital repayments in year	81,840	-
Amount introduced by directors	1,621,853	68,689
Amount withdrawn by directors	(2,467,141)	(180,219)
Sale of Investments	8,288,098	-
Net cash inflow/(outflow) from financing	7,524,650	(111,530)

The notes form part of these financial statements

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2006**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 8 05 £	Cash flow £	At 31 7 06 £
Net cash			
Cash at bank and in hand	1,358,736	19,160,134	20,518,870
	<u>1,358,736</u>	<u>19,160,134</u>	<u>20,518,870</u>
 Liquid resources			
Current asset investments	8,289,875	(8,288,098)	1,777
	<u>8,289,875</u>	<u>(8,288,098)</u>	<u>1,777</u>
 Debt			
Hire purchase	-	(81,840)	(81,840)
	<u>-</u>	<u>(81,840)</u>	<u>(81,840)</u>
 Total	<u>9,648,611</u>	<u>10,790,196</u>	<u>20,438,807</u>

The notes form part of these financial statements

MCLAREN CONSTRUCTION GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Basis of consolidation

This group reconstruction has been consolidated under merger accounting as the ultimate shareholders remain the same and the rights of each such shareholder, relative to the others, are unchanged

Turnover

The Group's turnover represents the invoiced value of goods and services supplied excluding VAT together with the value of contracting works executed during the year as measured by quantity surveyors. Profit is recognised on long-term contracts, if the outcome can be assessed with reasonable certainty, by including in the Profit and Loss account turnover and related costs as contract activity progresses

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold property	- 2% Straight Line Method
Fixtures and fittings	- 15% Reducing Balance Method
Motor vehicles	- 25% Reducing Balance Method
Computer equipment	- 50% Straight Line Method

Stocks

Work in Progress consists of expenditure incurred as a result of setting up new contracts and is valued at the lower of cost and net realisable value. Cost is represented by the purchase price of goods

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions payable for the year are charged in the profit and loss account

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account

Investments

Investments consist of the shares held by the Parent Company in the subsidiary companies and are valued at cost

Current Asset Investments

Current Asset Investments are valued at market value

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

2 STAFF COSTS

	2006	2005
	£	£
Wages and salaries	4,125,467	3,107,809
Social security costs	349,879	315,581
Other pension costs	324,029	87,324
	<u>4,799,375</u>	<u>3,510,714</u>

The average monthly number of employees during the year was as follows

	2006	2005
Executive Board of Directors	3	3
Technical Directors	6	6
Senior Managers and Site Management	63	42
Administration	16	10
	<u>88</u>	<u>61</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2006	2005
	£	£
Depreciation - owned assets	100,568	37,788
Depreciation - assets on hire purchase contracts	1,707	-
Loss/(Profit) on disposal of fixed assets	7,337	(2,233)
Auditors' remuneration	10,000	8,250
	<u>327,027</u>	<u>886,091</u>

The number of directors to whom retirement benefits were accruing was as follows

	2006	2005
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows

	2006	2005
	£	£
Emoluments etc	<u>204,485</u>	<u>818,905</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank interest	217	136
Corporation Tax interest	26	-
Hire purchase interest	818	-
	<u>1,061</u>	<u>136</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

5 TAXATION

Analysis of the tax charge

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

	2006 £	2005 £
Current tax		
UK corporation tax	1,254,376	594,938
Overprovision in Prior Year	-	(180)
	<u>1,254,376</u>	<u>594,758</u>
Tax on profit on ordinary activities	<u>1,254,376</u>	<u>594,758</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2006 £	2005 £
Profit on ordinary activities before tax	<u>4,250,294</u>	<u>1,946,579</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	1,275,088	583,974
Effects of Expenses not deductible for tax purposes	22,717	13,245
excess of Capital Allowances		
Capital Allowances in excess of Depreciation	(43,429)	(2,281)
Overprovision in Prior Years	-	(180)
Current tax charge	<u>1,254,376</u>	<u>594,758</u>

6 PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,414,722 (2005 - £400,000)

7 DIVIDENDS

	2006 £	2005 £
Ordinary A shares of £1 each		
Final	<u>-</u>	<u>400,000</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

8 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1st August 2005	-	27,200	187,414	45,435	260,049
Additions	2,382,728	199,945	276,309	-	2,858,982
Disposals	-	-	(221,949)	-	(221,949)
At 31st July 2006	<u>2,382,728</u>	<u>227,145</u>	<u>241,774</u>	<u>45,435</u>	<u>2,897,082</u>
DEPRECIATION					
At 1st August 2005	-	9,549	19,412	45,382	74,343
Charge for year	3,971	23,910	74,394	-	102,275
Eliminated on disposal	-	-	(75,112)	-	(75,112)
At 31st July 2006	<u>3,971</u>	<u>33,459</u>	<u>18,694</u>	<u>45,382</u>	<u>101,506</u>
NET BOOK VALUE					
At 31st July 2006	<u>2,378,757</u>	<u>193,686</u>	<u>223,080</u>	<u>53</u>	<u>2,795,576</u>
At 31st July 2005	<u>-</u>	<u>17,651</u>	<u>168,002</u>	<u>53</u>	<u>185,706</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
COST	
Additions	81,955
At 31st July 2006	<u>81,955</u>
DEPRECIATION	
Charge for year	1,707
At 31st July 2006	<u>1,707</u>
NET BOOK VALUE	
At 31st July 2006	<u>80,248</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

9 FIXED ASSET INVESTMENTS

Company

Shares in
group
undertakings
£

COST

At 1st August 2005
and 31st July 2006

10,410

NET BOOK VALUE

At 31st July 2006

10,410

At 31st July 2005

10,410

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

McLaren Construction Limited

Nature of business Construction and civil engineering contractors

	%		
Class of shares	holding		
Ordinary	100 00		

	2006	2005
	£	£
Aggregate capital and reserves	3,859,762	2,278,566
Profit for the year	<u>2,995,918</u>	<u>1,351,822</u>

McLaren Constructing Limited

Nature of business Dormant Company

	%		
Class of shares	holding		
Ordinary	100 00		

	2006	2005
	£	£
Aggregate capital and reserves	<u>10</u>	<u>10</u>

10 STOCKS

Group

	2006	2005
	£	£
Work-in-progress	<u>169,594</u>	<u>96,604</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

11 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Trade debtors	10,135,007	4,212,284	-	-
Amounts owed by group undertakings	-	-	344,650	-
Other debtors	138,248	246,050	44,955	44,955
Directors' loan accounts	1,025,107	179,819	1,025,107	179,819
Prepayments	56,414	54,302	-	-
	<u>11,354,776</u>	<u>4,692,455</u>	<u>1,414,712</u>	<u>224,774</u>

12 CURRENT ASSET INVESTMENTS

	Group	
	2006	2005
	£	£
Listed Investments - at market value	<u>1,777</u>	<u>8,289,875</u>

The company holds a deposit account with investment in Global Treasury Funds Plc. This is a collective investment scheme providing daily access to funds and the potential to generate high returns more typically associated with notice/fixed interest rate deposits. Global Treasury Funds Plc is part of the Royal Bank of Scotland Group and was recommended to the company by National Westminster Bank Plc.

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Hire purchase contracts (see note 15)	5,870	-	-	-
Trade creditors	24,060,184	10,146,636	-	-
Amounts owed to group undertakings	-	-	-	179,829
Tax	954,376	639,894	-	44,955
Social security and other taxes	1,263,395	333,972	-	-
Other creditors	19,222	17,222	-	-
Payments on Account	1,652,498	64,135	-	-
Accrued expenses	1,534,594	1,142,951	-	-
	<u>29,490,139</u>	<u>12,344,810</u>	<u>-</u>	<u>224,784</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2006	2005
	£	£
Hire purchase contracts (see note 15)	<u>75,970</u>	<u>-</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2006	2005
	£	£
Gross obligations repayable		
Within one year	20,298	-
Between one and five years	90,405	-
	<u>110,703</u>	<u>-</u>
Finance charges repayable		
Within one year	14,428	-
Between one and five years	14,435	-
	<u>28,863</u>	<u>-</u>
Net obligations repayable		
Within one year	5,870	-
Between one and five years	75,970	-
	<u>81,840</u>	<u>-</u>

The following operating lease payments are committed to be paid within one year

Group

	Land and buildings	
	2006	2005
	£	£
Expiring		
Between one and five years	-	31,750
	<u>-</u>	<u>31,750</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	2006	2005
	£	£
Hire purchase contracts	81,840	-
	<u>81,840</u>	<u>-</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

17 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2006 £	2005 £
10,000	Ordinary A	£1	10,000	10,000
10,000	Ordinary B	£1	10,000	10,000
30,000	Ordinary C, D, E	£1	30,000	30,000
			<u>50,000</u>	<u>50,000</u>

Allotted, issued and fully paid Number	Class	Nominal value	2006 £	2005 £
9,230	Ordinary A	£1	9,230	9,230
650	Ordinary B	£1	650	650
520	Ordinary C, D, E	£1	520	520
			<u>10,400</u>	<u>10,400</u>

18 RESERVES

Group

	Profit and loss account £
At 1st August 2005	2,268,166
Profit for the year	<u>2,995,918</u>
At 31st July 2006	<u>5,264,084</u>

Company

	Profit and loss account £
Profit for the year	<u>1,414,722</u>
At 31st July 2006	<u>1,414,722</u>

19 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31st July 2006 and 31st July 2005

	2006 £	2005 £
K R Taylor		
Balance outstanding at start of year	104,451	-
Balance outstanding at end of year	914,532	104,451
Maximum balance outstanding during year	<u>1,948,086</u>	<u>104,451</u>

MCLAREN CONSTRUCTION GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2006**

19 TRANSACTIONS WITH DIRECTORS - continued

P J Pringle

Balance outstanding at start of year	75,368	-
Balance outstanding at end of year	110,575	75,368
Maximum balance outstanding during year	<u>638,029</u>	<u>75,368</u>

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2006 £	2005 £
Profit for the financial year	2,995,918	1,351,821
Dividends	-	(400,000)
Share Issue		
Net addition to shareholders' funds	<u>2,995,918</u>	<u>951,821</u>
Opening shareholders' funds	2,278,566	1,326,745
Closing shareholders' funds	<u>5,274,484</u>	<u>2,278,566</u>
 Equity interests	 <u>5,274,484</u>	 <u>2,278,566</u>

Company

	2006 £	2005 £
Profit for the financial year	1,414,722	400,000
Dividends	-	(400,000)
Share Issue		
	<u>1,414,722</u>	<u>-</u>
Net addition to shareholders' funds	<u>1,414,722</u>	<u>10,400</u>
Opening shareholders' funds	10,400	-
Closing shareholders' funds	<u>1,425,122</u>	<u>10,400</u>
 Equity interests	 <u>1,425,122</u>	 <u>10,400</u>