

CH.

Crispin & Borst Ltd

Annual Report and Accounts

Year Ended 28 February 1995

Company Registered in England Number : 789114



DIRECTORS' REPORT - For the year ended 28 February 1995

The Directors submit their Annual Report and the audited Accounts of the Company for the year ended 28 February 1995.

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 the affairs of the company and of the profit and loss of the company 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.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

Results

The Profit and Loss Account for the year is set out on Page 4. Despite the current economic recession, trading in the current year is satisfactory.

Profits and Dividends

The Directors propose to pay a dividend of £ 400,000.

After providing for taxation and dividend a profit of £ 444,879 is transferred to reserves.

Principal activities of the company

The Company's principal trading activity is that of Building Contractor.

Directors

The Directors of the Company, who have been in office throughout the year are

Paul J Griffiths FCIOB FFB

Managing Director

Roger S Dawe

John W Gray FCCA ARICS MCIOB

Finance Director & Company Secretary

Barry J Boxall MCIOB

DIRECTORS' REPORT - For the year ended 28 February 1995

Directors interests in shares

The only Director to have an interest in the shares of the company was R S Dawe and there were no changes during the year.

R S Dawe

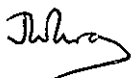
1 Ordinary share

The interests of the Directors in the share capital of the parent company are disclosed in that company's accounts.

Auditors

A resolution to re-appoint the Auditors, H & E Johnson, will be proposed at the Annual General Meeting.

By order of the board


J W Gray
Secretary

7 November 1995

AUDITORS' REPORT

to the shareholders of Crispin & Borst Ltd

We have audited the Financial Statements on Pages 4 to 10 which have been prepared in accordance with the accounting policies set out in the notes to these accounts.

Respective responsibilities of the company's directors and auditors

As described in the Directors report the directors are responsible for the preparation of the financial statements. It is our responsibility to form an opinion, based on our audit, on these 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 the 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 relevant information and explanations which we considered necessary 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 at 28 February 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

H & E Johnson

Coriander Building
20 Gainsford Street
London SE1 2NE

7 November 1995

H & E Johnson
Chartered Accountants
Registered Auditor

PROFIT AND LOSS ACCOUNT - For the year ended 28 February 1995

	Notes	1995	1994
		£	£
Turnover	2	17,541,553	12,807,242
Cost of sales		<u>14,876,412</u>	<u>10,786,639</u>
Gross Profit		2,665,141	2,020,603
Other operating expenses		<u>1,740,344</u>	<u>1,432,566</u>
		924,797	588,037
Other operating income	3	<u>-</u>	<u>15,000</u>
Operating profit for the year		924,797	603,037
Interest receivable and similar income	4	<u>19,143</u>	<u>42,816</u>
		943,940	645,853
Interest payable and similar charges	5	<u>4,333</u>	<u>8,127</u>
Profit on ordinary activities before tax	6	939,607	637,726
Taxation	7	<u>94,728</u>	<u>115,525</u>
Profit for the year after tax		844,879	522,201
Proposed Dividend		<u>400,000</u>	<u>255,000</u>
Retained profit for the year after tax		<u>444,879</u>	<u>267,201</u>

All items dealt with in arriving at the operating profit for both 1994 and 1995 relate to continuing activities.

There are no recognised gains or losses in these years, other than the reported profit and loss.

BALANCE SHEET - as at 28 February 1995

	Notes	1995	1994
		£	£
Fixed Assets			
Tangible Assets	9	460,265	299,566
Current Assets			
Stocks	10	72,257	48,157
Debtors	11	6,403,781	5,287,243
Cash at Bank and in hand		<u>4,998</u>	<u>1,000</u>
		6,481,036	5,336,400
Creditors due within one year	12a	<u>4,817,694</u>	<u>4,059,244</u>
Net current assets		<u>1,663,342</u>	<u>1,277,156</u>
Total Assets less current liabilities		2,123,607	1,576,722
Creditors falling due after 1.3.1996	12b	<u>175,218</u>	<u>73,212</u>
		<u>1,948,389</u>	<u>1,503,510</u>
Capital and Reserves			
Called up share capital	13	181,800	181,800
Profit and Loss Account	14	<u>1,766,589</u>	<u>1,321,710</u>
		<u>1,948,389</u>	<u>1,503,510</u>

Approved and signed on behalf of the board



P J Griffiths

J W Gray

Directors

7 November 1995

NOTES TO THE FINANCIAL STATEMENTS - For the year ended 28 February 1995

1. Accounting Policies

a) Basis of Accounting: The financial statements are prepared under the historical cost convention.

b) Tangible Fixed Assets

i) These are stated at cost less accumulated depreciation. Depreciation on purchased assets is calculated at the rate of 25% per annum on the written down value.

ii) Gains and losses on disposals are credited or charged to Profit and Loss Account when they occur and the relevant gross value and accumulated depreciation eliminated from the Accounts.

c) Assets leased

Where the company enters into operating or finance leases, its policy is to regard such leases as finance leases where their term gives rights approximating to ownership.

Assets held under finance leases (including Hire Purchase contracts) are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after one year. Assets held under hire purchase agreements are depreciated over their useful economic life; assets held under finance leases are depreciated over the shorter of the lease term and their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

Certain assets have been acquired for the company by Crispin & Borst Group Services Ltd, under a group hire purchasing facility. The assets are capitalised in the company and a liability recorded under creditors for the amounts due through Crispin & Borst Group Services Ltd for the hire purchase liability. As finance charges arise they are allocated, as an intergroup interest charge, to the profit and loss account. On completion of the hire purchase agreement title will pass to the company.

d) Stock

Stocks include building materials and consumables. Short term contract work in progress is valued at the lower of cost and net realisable value.

e) Long term contract work in progress

Long term contracts are valued at cost, including overheads, plus attributable profit, less any foreseeable losses. Attributable profit represents an assessment of profit on current contracts at the accounting date. Foreseeable losses are those estimated to arise on existing contracts, after taking account of future costs and overheads.

The amount included under Debtors as "Amounts recoverable on contracts", represents the amount by which the value of work exceeds progress payments to date.

f) Pensions

The company contributes to a personal pension plan scheme for some of its employees. Liability is limited to the premiums paid which are charged against profits in the year of payment.

2. Turnover

Turnover, which excludes Value Added Tax, represents the value of work completed during the year and includes an adjustment for the net change of long term contract work in progress.

NOTES TO THE FINANCIAL STATEMENTS - For the year ended 28 February 1995

	1995 £	1994 £
3. Other operating income		
Group service charge	-	15,000
4. Interest receivable and other income	£	£
Group interest	19,143	42,816
5. Interest payable and similar charges	£	£
Other interest	-	1,607
Hire purchase interest	4,333	6,520
	<u>4,333</u>	<u>8,127</u>
6. Profit on ordinary activities before taxation	£	£
This is stated after charging :-		
Depreciation	153,378	99,833
Auditors remuneration	7,500	7,250
Hire of office equipment	-	316
(Profit)/Loss on sale of assets	868	156
7. Taxation	£	£
United Kingdom Corporation Tax due on current year's profit at 33%	94,728	114,970
Previously under reserved	-	555
	<u>94,728</u>	<u>115,525</u>
8. Directors and employees	£	£
Staff costs		
Wages and salaries	2,071,128	1,222,375
Pension	21,493	19,858
Social Security costs	203,211	120,929
	<u>2,295,832</u>	<u>1,363,162</u>
The average number of employees during the year was :-		
Operatives	44	16
Administrative and Technical	99	60
	<u>143</u>	<u>63</u>

NOTES TO THE FINANCIAL STATEMENTS - For the year ended 28 February 1995

9. Tangible Fixed Assets

	Plant & Office Equipment	Motor Vehicles	Total
	£	£	£
Cost as at 1.3.1994	282,202	627,338	909,540
Disposals	(31,750)	(8,412)	(40,162)
Additions	10,175	302,244	312,419
Additions from Group at full cost	-	60,572	60,572
Disposals to Group at full cost	-	(45,886)	(45,886)
Cost as at 28.2.1995	<u>260,627</u>	<u>935,856</u>	<u>1,196,483</u>
Depreciation as at 1.3.1994	233,803	376,171	609,974
Disposals	(31,650)	(7,388)	(39,038)
Disposals to Group	-	(34,426)	(34,426)
Additions from Group	-	46,330	46,330
Provision for year	<u>14,621</u>	<u>138,757</u>	<u>153,378</u>
Depreciation as at 28.2.1995	<u>216,774</u>	<u>519,444</u>	<u>736,218</u>
Net book value at 28.2.1995	43,853	416,412	460,265
Net book value at 28.2.1994	48,399	251,167	299,566

	1995	1994
	£	£
Items included in Fixed Assets which are held on Hire purchase contracts		
Motor vehicles		
Net book value at 28.2.1995	354,039	77,692
Depreciation charge for the year	88,509	25,897
Accumulated depreciation to 28.2.1995	183,185	94,676

Items included in Fixed Assets which were held on Hire purchase through Crispin & Borst Group Services Ltd.
Crispin & Borst Group Services Ltd retains the Hire purchase liability. See note 12.

	£	£
Motor vehicles		
Net book value at 28.2.1995	141,359	105,632
Depreciation charge for the year	35,339	35,211
Accumulated depreciation to 28.2.1995	70,550	35,211

10. Stocks

	£	£
Stock	25,600	21,461
Short term work in progress	<u>46,657</u>	<u>26,696</u>
	<u>72,257</u>	<u>48,157</u>

NOTES TO THE FINANCIAL STATEMENTS - For the year ended 28 February 1995

	1995 £	1994 £
11. Debtors - amounts due within one year		
Debtors	2,141,469	1,940,415
Amounts recoverable on contracts	2,801,309	2,086,725
Amount owed by Holding company	1,362,209	1,179,556
Amounts owed by Associated companies	57,356	56,108
Prepayments	8,740	1,442
Other debtors	<u>32,698</u>	<u>22,997</u>
	<u>6,403,781</u>	<u>5,287,243</u>

	£	£
12. Creditors		
a. Amounts falling due within one year		
Bank overdraft	-	169,160
Hire purchase - current portion	75,098	30,305
Trade creditors	3,606,864	2,701,515
Amounts due to Associated companies	60,929	133,630
Amounts due to Crispin & Borst Group Services Ltd in respect of Hire Purchase	50,195	38,980
Other creditors	106,684	56,174
Taxation and Social Security	355,691	518,600
Corporation Tax	95,442	114,970
Proposed Dividend	400,000	255,000
Accruals	<u>66,791</u>	<u>40,910</u>
	<u>4,817,694</u>	<u>4,059,244</u>
b. Amounts falling due after one year	£	£
Hire purchase	126,955	15,220
Amounts due to Crispin & Borst Group Services Ltd in respect of Hire Purchase	<u>48,263</u>	<u>57,992</u>
	<u>175,218</u>	<u>73,212</u>
Payable over 23 months from 1.3.1996 at variable rates of interest		

	£	£
c. Net obligations under hire purchase contracts		
Minimum payments due		
Within one year	143,303	77,435
within two to five years	<u>186,329</u>	<u>77,999</u>
	329,632	155,434
Less finance charges allocated to future periods	<u>(29,121)</u>	<u>(12,937)</u>
Net obligations	<u>300,511</u>	<u>142,497</u>

13. Share Capital

	£	£
Authorised :-		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
Issued, allotted and fully paid :-	£	£
181,800 Ordinary shares of £1 each	<u>181,800</u>	<u>181,800</u>

NOTES TO THE FINANCIAL STATEMENTS - For the year ended 28 February 1995

	1995	1994
14. Reserves	£	£
Profit and Loss Account		
Balance as at 1.3.1994	1,321,710	1,054,509
Retained Profit for the year	<u>444,879</u>	<u>267,201</u>
Balance as at 28.2.1995	<u>1,766,589</u>	<u>1,321,710</u>
15. Reconciliation of movements in shareholders funds	£	£
Opening shareholders funds at 1.3.1994	1,503,510	1,236,309
Profit for the financial year	844,879	522,201
Dividends	<u>(400,000)</u>	<u>(255,000)</u>
Closing shareholders funds at 28.2.1995	<u>1,948,389</u>	<u>1,503,510</u>

16. Holding Company

The ultimate Holding company is C & B Holdings Limited which is incorporated in England.

17. Contingent Liabilities

There is a contingent liability in respect of cross guarantees to Associated companies of £ 921,210 (1994 - £510,670).