

CRISPIN & BORST LIMITED

AUDITORS' REPORT

We have audited the Accounts on Pages 2 to 8.

In our opinion, the Accounts, based on the historical cost convention, as modified by the revaluation of certain fixed assets, give a true and fair view of the state of the Company's affairs as at 28 February 1984 and of its Profit for the year ended on that date and comply with the Companies Acts 1948 to 1981.

In our opinion the requirements for exemption as a medium company are satisfied.

7 Charterhouse Buildings
Goswell Road
LONDON EC1M 7AN

22 October 1984


Certified Accountant



CRISPIN & BORST LIMITED

DIRECTORS' REPORT ON ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1984

The Directors submit their Annual Report and the Audited Accounts of the Company for the year ended 28 February 1984.

RESULTS

The Profit and Loss Account for the year is set out on Page 2. The continuing state of the Company is satisfactory.

PROFITS AND DIVIDENDS

After the provision for taxation and capitalisation of reserves the unappropriated balance forward was increased from £133,364 to £185,046. The Directors do not propose to pay a dividend.

PRINCIPAL ACTIVITIES OF THE GROUP

The Group's principal trading activities are those of Builders.

DIRECTORS

The Director of the Company who has been in office throughout the year was as at 28 February 1984.....

ROGER S DAWE Esq

Other Directors who were in office at 1 March 1983 were as follows:

Henry C S White Esq (to 31 August 1983)
- and - Albert A Ince Esq (to 31 August 1983)

The following Director was appointed:

John Luxton Esq (on 31 August 1983)

DIRECTORS' INTERESTS IN SHARES

The Issued Capital of the Company was increased by £1,800 by a bonus issue of 180,000 1p Ordinary Shares to facilitate the sale under Section 43 Companies' Act 1981. The Directors of the Company have the following interests:

	<u>1 March 1983</u>	<u>Bonus Issue</u> <u>31 August 1983</u>	<u>28 February 1984</u>
H C S White Esq	51,439 £1. Shares	51,439 1p Shares	Nil
A A Ince Esq	60,000 " "	60,000 " "	Nil
R S Dawe Esq	60,000 " "	60,000 " "	60,000 £1 Shares 60,000 1p " "

AUDITORS

In accordance with Section 14 (1) of the Companies' Act 1976 a resolution proposing the appointment of H & E Johnson as Auditors to the Company will be placed before the Annual General Meeting.

BY ORDER OF THE BOARD

Mornington Grove
BOW
LONDON E3

Y HUMPHRIES
Secretary

22 October 1984

CRISPIN & BORSSE LIMITED

<u>PROFIT AND LOSS ACCOUNT</u>		<u>FOR THE YEAR ENDED 28 FEBRUARY 1984</u>	
	<u>Notes</u>	<u>1984</u> £	<u>1983</u> £
TURNOVER	2	4,524,404	3,469,841
Cost of Sales		<u>4,103,977</u>	<u>3,158,640</u>
GROSS PROFIT FOR YEAR		420,427	311,201
Administrative Costs		<u>451,354</u>	<u>378,545</u>
		(30,927)	(67,344)
Other Operating Income	3	<u>5,648</u>	<u>1,403</u>
OPERATING (LOSS) FOR YEAR		(25,279)	(65,941)
Interest Receivable & Similar Income	4	<u>61,504</u>	<u>98,274</u>
		36,225	32,333
Interest payable & Similar Charges	5	<u>1,045</u>	<u>667</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	35,180	31,666
Taxation	7	<u>(18,302)</u>	<u>(1,217)</u>
PROFIT FOR YEAR		53,482	32,883
		<u>53,482</u>	<u>32,883</u>

CRISPIN & BORST LIMITEDBALANCE SHEET

as at 28 FEBRUARY 1984

	<u>Notes</u>	£	<u>1984</u>	£	£	<u>1983</u>	£
FIXED ASSETS							
Tangible Assets	9	395,425				293,007	
Investments	10	<u>54,994</u>		450,419		<u>54,994</u>	348,001
CURRENT ASSETS							
Stock	11	281,127				205,461	
Debtors	12	495,798				78,984	
Cash @ Bank & in hand		<u>2,725</u>				<u>592,080</u>	
		779,650				876,525	
CREDITORS							
Amounts falling due within one year	13(a)	<u>758,082</u>				<u>911,162</u>	
NET CURRENT ASSETS/ LIABILITIES				<u>21,568</u>			<u>(34,637)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				471,987			313,364
Creditors due after more than one year	13(b)			<u>21,243</u>			
				450,744			313,364
CAPITAL AND RESERVES							
Called up Share Capital	14			181,800			180,000
Profit and Loss Account	15(a)			185,046			133,364
Revaluation Reserve	15(b)			<u>83,898</u>			
				450,744			313,364

The directors have relied on the exemptions for individual financial statements contained in Section 6 of the Companies Act 1947. Under the Companies Act, the company is entitled to benefit from these exemptions as a medium company.


 DIRECTORS

Approved by the Board 22 October 1984

STATEMENT OF SOURCE & APPLICATION OF FUNDS FOR THE YEAR ENDED
28 FEBRUARY 1984

	£	<u>1984</u>	£	£	<u>1983</u>	£
SOURCE OF FUNDS						
Profit before Taxation			35,180			31,666
<u>Adjustment for items not involving the movement of Funds:</u>						
Depreciation			<u>55,723</u>			<u>40,513</u>
Total Generated from Operations			90,903			72,179
<u>Funds from Other Sources:</u>						
Increase in Issued Capital	-				2,475	
Interest Received on refund of Corporation Tax	-				117	
Sale of Fixed Assets		<u>16,295</u>			<u>8,195</u>	
			<u>16,295</u>			<u>10,787</u>
			107,198			82,966
<u>Less: Application of Funds:</u>						
Purchase of Fixed Assets	90,538				134,578	
Dividends Paid	-				3,900	
Tax paid		<u>(644)</u>			<u>23,810</u>	
			<u>89,894</u>			<u>162,288</u>
			17,304			<u>(79,322)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL						
Stock & Work in Progress	75,666				(785)	
Debtors	107,248				(23,343)	
Creditors	46,872				88,419	
Directors' Current Accounts	35,825				51,962	
Holding Company	319,610				-	
Subsidiary Company		<u>1,885</u>			<u>(9,170)</u>	
			587,106			107,083
MOVEMENT IN NET LIQUID FUNDS						
Bank and Cash Balances			<u>(51,802)</u>			<u>(186,405)</u>
			17,304			<u>(79,322)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 1984

1. ACCOUNTING POLICIES

(a) Basis of Accounting:

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold properties.

(b) Tangible Fixed Assets:

(i) Interests in Freehold Properties are now stated at independent valuation whereas at 28 February 1983 they were stated at historic cost. The other fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated at the rate of 25% by reference to the types of assets concerned and their expected useful lives except for:

Freehold Properties	-	Nil
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(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) Fixed Asset Investments:

Investment in a sub-idiary company is stated at cost.

(d) Stocks:

Stocks and Work in Progress are valued by the Directors at the lower of cost and net realisable value.

2. TURNOVER

Turnover, which excludes value added tax, represents amounts invoiced to third parties in the United Kingdom.

3. OTHER OPERATING INCOME

	<u>1984</u>	<u>1983</u>
	£	£
Rent and Administration fees	4,948	-
Construction Industry Training Board	700	1,403
	<u>5,648</u>	<u>1,403</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

Bank Deposit Interest	<u>61,504</u>	<u>98,274</u>
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5. INTEREST PAYABLE AND SIMILAR CHARGES

Bank Interest on Overdraft	<u>1,045</u>	<u>667</u>
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6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

Depreciation	55,723	40,513
Auditors' Remuneration	2,500	2,150
Loss on Sale of Motors	5,680	4,902

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED
28 FEBRUARY 1984.

7. TAXATION

	<u>1984</u> £	<u>1983</u> £
<u>United Kingdom Corporation</u>		
<u>Tax Due:</u>		
on current year's profits	3,300	9,400
Interest received on refund of Corporation Tax	-	(117)
Taxation deferred by Stock Relief written back	(21,602)	(10,500)
	<u>(18,302)</u>	<u>(1,217)</u>

8. DIRECTORS AND EMPLOYEES

Staff Costs:

Wages & Salaries	857,763	795,379
Social Security Costs	93,393	87,492
Directors' Pension Scheme	62,750	105,250
	<u>1,013,906</u>	<u>988,121</u>

The average number of employees employed by the Company was:

Operatives	109	106
Administrative	32	29
	<u>141</u>	<u>135</u>

Staff costs include the following remuneration in respect of Directors:

Total emoluments	<u>28,364</u>	<u>68,895</u>
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The Directors' remuneration disclosed above (excluding pensions and pension contributions) included amounts paid to:

The Chairman	<u>10,625</u>	<u>2,228</u>
The Highest paid Director	<u>15,625</u>	<u>38,332</u>

Number of other Directors whose emoluments are within the range:

Up to £5,000	1	1
£10,001 to £15,000	1	-
£15,001 to £20,000	1	-
£25,001 to £30,000	-	1
£35,001 to £40,000	-	1

None of the Directors waived any part of their emoluments.

9. TANGIBLE FIXED ASSETS

	<u>Freehold</u> <u>Properties</u> £	<u>Plant &</u> <u>Office Equipment.</u> £	<u>Motors.</u> £	<u>Total.</u> £
Cost @ 1/3/83	149,102	66,616	223,274	438,992
Additions	-	37,966	52,572	90,538
Disposals	-	-	(44,459)	(44,459)
Revaluation	83,898	-	-	83,898
Cost & Valuation @ 28/2/84	<u>233,000</u>	<u>104,582</u>	<u>231,387</u>	<u>568,969</u>

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED
28 FEBRUARY 1984

9. TANGIBLE FIXED ASSETS (continued)

	<u>Freehold Properties</u> £	<u>Plant & Office Equipment</u> £	<u>Motors</u> £	<u>Total</u> £
Depreciation @ 1/3/83		31,666	114,319	145,985
Provision for year		18,245	37,477	55,723
Eliminated in respect of disposals		-	(28,164)	(28,164)
Depreciation @ 28/2/84		49,912	123,632	173,544

NET BOOK VALUE

@ 28/2/84	<u>233,000</u>	<u>54,670</u>	<u>107,755</u>	<u>395,425</u>
@ 28/2/83	<u>149,102</u>	<u>34,950</u>	<u>108,955</u>	<u>293,007</u>

(a) Cost and valuation at 28/2/84 is represented by:

Valuation in 1984	233,000	-	-	233,000
Cost	-	104,582	231,387	335,969
	<u>233,000</u>	<u>104,582</u>	<u>231,387</u>	<u>568,969</u>

(b) Freehold Properties were revalued on the basis of an open market valuation for existing use at 28 February 1984 by Messrs Robert Cutts & Company. The surplus is stated before taking account of the taxation which would be payable on realisation.

10. FIXED ASSETS INVESTMENTS

	<u>Investment in Subsidiary</u> £
Cost @ 1/3/83 & 28/2/84	<u>54,994</u>
Net Book Value @ 28/2/84	<u>54,994</u>
" " " " 28/2/83	<u>54,994</u>

Crispin & Borst Limited own 100% of the share capital of J J Jagger & Company Limited an unquoted Company incorporated in the United Kingdom.

11. STOCK

	<u>1984</u> £	<u>1983</u> £
Stocks of Materials	6,060	5,482
Work in Progress	<u>275,067</u>	<u>199,979</u>
	<u>281,127</u>	<u>205,461</u>

12. DEBTORS

Due within one year:

Debtors	165,174	71,641
Prepayments	11,014	7,343
Amounts owed by Holding Company (The Company under Section 43 Companies Act 1981, advanced £330,000 during the year of which £319,610 remains outstanding @ 28/2/84	319,610	-
	<u>495,798</u>	<u>78,984</u>

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED
28 FEBRUARY 1984

13. CREDITORS

	<u>1984</u> £	<u>1983</u> £
(a) <u>Amounts falling due within one year:</u>		
Bank Overdraft	190,637	231,433
Trade Creditors	521,610	569,001
Amount owed to Subsidiary	2,108	3,993
Other Creditors	21,657	37,162
Accruals	15,565	2,520
Taxation & Social Security	2,979	-
Corporation Tax	3,300	o 400
Corporation Tax deferred by Stock Relief	-	21
Directors' Current Account	<u>226</u>	<u>36</u>
	<u>758,082</u>	<u>911,162</u>

(b) Amounts falling due after one year:

Bank Loan	<u>21,243</u>	-
Payable over 48 months at variable rates of interest.		

14. SHARE CAPITAL

Authorised:

180,000 Deferred Shares of £1. each (converted from Ordinary Shares on 31 August 1983)	180,000	180,000
7,000,000 Ordinary Shares of 1p. each	<u>70,000</u>	-
	<u>250,000</u>	<u>180,000</u>

Allotted, Issued & Fully Paid:

180,000 Deferred Shares of £1. each	180,000	180,000
180,000 Ordinary Shares of 1p. each	<u>1,800</u>	-
	<u>181,800</u>	<u>180,000</u>

Allotments during year:

On 31 August 1983 180,000 Ordinary Shares of 1p. each were issued pro rata to shareholders by way of a capitalisation of reserves.

15. RESERVES

(a) Profit and Loss Account

@ 1/3/1983	133,364	242,006
Retained Profits for year	<u>53,482</u>	<u>32,883</u>
	186,846	274,889
Amount capitalised by bonus issue of shares @ 26/2/84	<u>1,800</u>	<u>141,525</u>
	<u>185,046</u>	<u>133,364</u>

(b) Revaluation Reserve

@ 1/3/1983	-	
Revaluation in the year	<u>83,898</u>	
@ 28/2/1984	<u>83,898</u>	

16. HOLDING COMPANY

The ultimate holding company is C & B Holdings Limited which is incorporated in the United Kingdom.