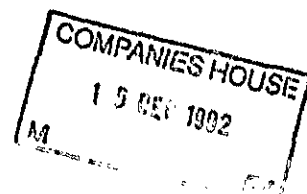


Crispin & Borst Ltd

Annual Report and Accounts

Year ended 29 February 1992



Company Registered in England No : 789114

AUDITORS' REPORT

We have audited the Financial Statements on Pages 3 to 9 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs as at 29 February 1992 and of its Profit and Source and Application of Funds for the year ended on that date and comply with the Companies Act 1985.

H + E Johnson

Coriander Building
20 Gainsford Street
London SE1 2NE

18 November 1992

H & E Johnson
Chartered Accountants
Registered Auditor

DIRECTORS' REPORT
For the year ended 29 February 1992

The Directors submit their Annual Report and the audited Accounts of the Company for the year ended 29 February 1992.

Results

The Profit and Loss Account for the year is set out on Page 3. Despite the current economic recession, trading in the current year is satisfactory.

Profits and Dividends

The Directors propose to pay a dividend of £ 135,000.

After providing for taxation and dividend a profit of £ 138,262 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 FCIQB FFB *Managing Director*

Roger S Dawe

Howard M Law *Estimating Director*

John W Gray FCCA ARICS *Finance Director & Company Secretary*

Derek L Marter (Construction Director) resigned on 2 April 1991

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
18 November 1992



Crispin & Borst Ltd 2

PROFIT AND LOSS ACCOUNT
For the year ended 29 February 1992

| | Notes | 1992 £ | 1991 £ |
|------------------------------------------|-------|------------------|-------------------|
| Turnover | 2 | 10,026,944 | 14,440,901 |
| Cost of Sales | | <u>8,768,258</u> | <u>13,403,773</u> |
| Gross Profit | | 1,258,686 | 1,037,128 |
| Administrative costs | | <u>1,034,632</u> | <u>975,913</u> |
| | | 224,054 | 61,215 |
| Other Operating income | 3 | <u>18,295</u> | <u>—</u> |
| Operating Profit for the year | | 242,349 | 61,215 |
| Interest receivable and similar income | 4 | <u>176,565</u> | <u>159,652</u> |
| | | 418,914 | 220,867 |
| Interest payable and similar charges | 5 | <u>13,114</u> | <u>21,947</u> |
| Profit on ordinary activities before tax | 6 | 405,800 | 198,920 |
| Taxation | 7 | <u>132,538</u> | <u>79,385</u> |
| Profit for the year after tax | | 273,262 | 119,535 |
| Proposed Dividend | | <u>135,000</u> | <u>65,000</u> |
| Retained Profit for the year after tax | | <u>138,262</u> | <u>54,535</u> |

BALANCE SHEET
as at 29 February 1992

| | Notes | £ | 1992 £ | £ | 1991 £ |
|---------------------------------------|-------|------------------|------------------|------------------|----------------|
| Fixed Assets | | | | | |
| Tangible Assets | 9 | | 232,579 | | 233,687 |
| Current Assets | | | | | |
| Stocks | 10 | 36,811 | | 55,022 | |
| Debtors | 11 | 4,392,923 | | 3,961,581 | |
| Cash at Bank and in hand | | <u>130,060</u> | | <u>3,632</u> | |
| | | 4,559,794 | | 4,020,235 | |
| Creditors due within one year | 12a | <u>3,727,653</u> | | <u>3,331,336</u> | |
| Net Current Assets | | | <u>832,141</u> | | <u>688,899</u> |
| Total Assets less Current Liabilities | | | 1,064,720 | | 922,586 |
| Creditors falling due after 1.3.1993 | 12b | | <u>41,811</u> | | <u>37,939</u> |
| | | | <u>1,022,909</u> | | <u>884,647</u> |
| Capital & Reserves | | | | | |
| Called up share capital | 13 | | 181,800 | | 181,800 |
| Profit and Loss Account | 14 | | <u>841,109</u> | | <u>702,847</u> |
| | | | <u>1,022,909</u> | | <u>884,647</u> |

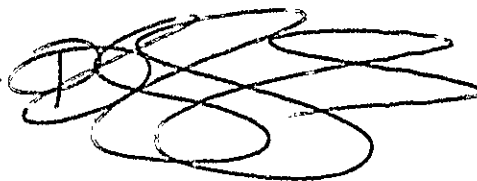

Approved and signed on behalf of the board

P J Griffiths

J W Gray

Directors

18 November 1992

STATEMENT OF SOURCES & APPLICATION OF FUNDS
For the year ended 29 February 1992

| | 1992 | 1991 |
|----------------------------------------------------|----------------|------------------|
| £ | £ | £ |
| Source of Funds | | |
| Profits before taxation | 405,800 | 198,920 |
| Adjustments not involving the movement of funds | | |
| Depreciation | <u>77,906</u> | <u>82,718</u> |
| Total from Operations | 483,706 | 281,638 |
| Funds from other sources | | |
| Sale of fixed assets | <u>20,513</u> | <u>28,121</u> |
| | 504,219 | 309,759 |
| Application of Funds | | |
| Dividends Paid | 65,000 | 200,000 |
| Purchase of fixed assets | 97,311 | 60,957 |
| Payment for Group relief | 17,204 | - |
| Tax paid | <u>77,389</u> | <u>37,571</u> |
| | <u>256,904</u> | <u>298,528</u> |
| | 247,315 | 11,231 |
| Increase/(Decrease) in working capital | | |
| Stocks | (18,211) | (73,037) |
| Debtors | 266,503 | (143,883) |
| Creditors | (256,131) | 318,833 |
| Holding Company | 55,499 | 876,543 |
| Associated Companies | <u>73,227</u> | <u>(839,364)</u> |
| | 120,887 | 139,092 |
| Movement in Net Liquid Funds | | |
| Bank and Cash Balances | <u>126,428</u> | <u>(127,861)</u> |
| | 247,315 | 11,231 |

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 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) Stock

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

(d) 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.

(e) Group relief

There are group relief elections in force in respect of interest, dividends and losses. Payment is made by the claimant company in respect of losses surrendered at the basic rate of tax currently 25%.

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.

| | 1992 | 1991 |
|---------------------------|---------------|------|
| 3. Other operating income | £ | £ |
| Group service charge | <u>18,295</u> | - |

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 29 February 1992

| | 1992 £ | 1991 £ |
|--------------------------------------------------------------|------------------|------------------|
| 4. Interest receivable and similar income | | |
| Other interest | 15 | - |
| Group interest | <u>176,550</u> | <u>159,652</u> |
| | <u>176,565</u> | <u>159,652</u> |
| 5. Interest payable and similar charges | | |
| Bank interest | - | 2,070 |
| Hire Purchase interest | <u>13,114</u> | <u>19,877</u> |
| | <u>13,114</u> | <u>21,947</u> |
| 6. Profit on ordinary activities before taxation | | |
| This is stated after charging :- | | |
| Depreciation | 77,906 | 82,718 |
| Auditors' remuneration | 6,500 | 6,450 |
| Hire of office equipment | 356 | 335 |
| (Profit)/Loss on sale of assets | 778 | (1,579) |
| 7. Taxation | | |
| United Kingdom Corporation Tax due on current year's profits | 115,330 | 77,385 |
| Payment in respect of group relief | 17,204 | - |
| Previously under reserved | <u>4</u> | <u>2,000</u> |
| | <u>132,538</u> | <u>79,385</u> |
| 8. Directors and employees | | |
| Staff costs :- | | |
| Wages and salaries | 944,721 | 1,339,776 |
| Pension | 12,964 | 15,187 |
| Social Security Costs | <u>98,059</u> | <u>118,707</u> |
| | <u>1,055,744</u> | <u>1,473,670</u> |

The average number of employees during the year was :-

| | | |
|----------------|-----------|-----------|
| Operatives | 9 | 21 |
| Administrative | <u>50</u> | <u>68</u> |
| | <u>59</u> | <u>89</u> |

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 29 February 1992

9. Tangible Fixed Assets

| | Plant & Office Equipment | Motor Vehicles | Total |
|----------------------------|-----------------------------|-------------------|----------------|
| | £ | £ | £ |
| Cost as at 1.3.91 | 261,440 | 417,857 | 679,297 |
| Disposals | (6,830) | (39,506) | (46,336) |
| Additions | <u>1,659</u> | <u>95,652</u> | <u>97,311</u> |
| Cost as at 29.2.92 | <u>256,269</u> | <u>474,003</u> | <u>730,272</u> |
| Depreciation as at 1.3.91 | 191,639 | 253,971 | 445,610 |
| Disposals | (4,723) | (21,100) | (25,823) |
| Provision for year | <u>17,614</u> | <u>60,292</u> | <u>77,906</u> |
| Depreciation as at 29.2.92 | <u>204,530</u> | <u>293,163</u> | <u>497,693</u> |
| Net Book value at 29.2.92 | 51,739 | 180,840 | 232,579 |
| Net Book value at 28.2.91 | 69,801 | 163,886 | 233,687 |

| 10. Stocks | 1992 £ | 1991 £ |
|--------------------------------------|---------------|---------------|
| Stock | 12,721 | 14,912 |
| Short term contract work in progress | <u>24,090</u> | <u>40,110</u> |
| | <u>36,811</u> | <u>55,022</u> |

| 11. Debtors - amounts due within one year | £ | £ |
|-------------------------------------------|------------------|------------------|
| Debtors | 1,239,249 | 1,127,472 |
| Amounts recoverable on contracts | 1,555,940 | 1,401,831 |
| Amount owed by Holding company | 1,465,674 | 1,410,175 |
| Amounts owed by Associated companies | 130,332 | 20,992 |
| Prepayments | <u>1,728</u> | <u>1,111</u> |
| | <u>4,392,923</u> | <u>3,961,581</u> |

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 29 February 1992

| | 1992 £ | 1991 £ |
|------------------------------------------------------------------|------------------|------------------|
| 12. Creditors | | |
| a. Amounts falling due within one year - | | |
| Hire Purchase current portion | 57,905 | 56,809 |
| Trade Creditors | 3,091,158 | 2,881,923 |
| Amounts due to Associated companies | 41,311 | 5,198 |
| Other Creditors | 30,934 | 41,168 |
| Taxation & social security | 233,357 | 172,596 |
| Corporation Tax | 115,330 | 77,385 |
| Proposed Dividend | 135,000 | 65,000 |
| Accruals | <u>22,658</u> | <u>31,257</u> |
| | <u>3,727,653</u> | <u>3,331,336</u> |
| b. Amounts falling due after one year - | £ | £ |
| Hire Purchase | <u>41,811</u> | <u>37,939</u> |
| Payable over 24 months from 1.3.93 at variable rates of interest | | |
| 13. Share Capital | £ | £ |
| Authorised - | | |
| 180,000 Deferred Shares of £1 each | 180,000 | 180,000 |
| 7,000,000 Ordinary shares of 1p each | <u>70,000</u> | <u>70,000</u> |
| | <u>250,000</u> | <u>250,000</u> |
| | £ | £ |
| Issued, Allotted and 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>1,800</u> |
| | <u>181,800</u> | <u>181,800</u> |
| 14. Reserves | £ | £ |
| Profit and Loss Account | | |
| Balance as at 1.3.91 | 702,847 | 648,312 |
| Retained Profit for year | <u>138,262</u> | <u>54,535</u> |
| Balance at 29.2.92 | <u>841,109</u> | <u>702,847</u> |

15. Holding Company

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

16. Contingent Liabilities

There is a contingent liability in respect of cross guarantees to Associated companies of £ 703,621 (1991 - £ 294,832).