CRISPIN & BORST LIMITED

DIRECTORS' REPORT ON ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1989

The Directors submit their Annual Report and the audited Accounts of the Company for the year ended 28 February 1989.

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 the unappropriated balance forward was increased from £571,698 to £694,487.

The Directors do not propose to pay a dividend.

PRINCIPAL ACTIVITIES OF THE GROUP

The Company's principal trading activity is that of Builders.

DIRECTORS

The Directors of the Company, who have been in office throughout the year were as at 28 February 1989............

Roger S Dawe Esq

John Luxton Esq

-and-

Derek L Marter Esq

The following was appointed a Director of the Company from 18 July 1988..

Paul J Griffiths Esq

AUDITORS

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

BY ORDER OF THE BOARD

J W Gray

SECRETARY

Mornington Grove
Bow
LONDON E3 4NS

14 November 1989

[illegible] LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 1992

	Notes	1992 £	1991 £
TURNOVER	2	7,743,189	6,679,893
Cost of Sales		6,894,514	[illegible]
GROSS PROFIT FOR YEAR		848,695	681,596
Administrative Costs		[illegible]	510,623
OPERATING PROFIT FOR YEAR		212,283	170,973
Interest receivable & Similar Income	3	6,917	3,881
		219,200	174,854
Interest payable & Similar Charges	4	22,026	10,432
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	197,174	164,422
Taxation	6	74,385	66,271
RETAINED PROFIT FOR YEAR AFTER TAXATION		122,789	98,151

CRISPIN & BORST LIMITED

BALANCE SHEET — AS AT 29 FEBRUARY 1992

	Notes	£	1992 £	£	1991 £
FIXED ASSETS					
Tangible Assets	8		247,812		232,229
CURRENT ASSETS					
Stock & Work in Progress	9	12,067,961		14,042,591	
Less payments on account		[illegible]		[illegible]	
		318,640		596,357	
Debtors	10	2,029,903		1,974,000	
Cash at Bank & in hand		[illegible]		4,647	
		3,147,337		2,573,006	
Creditors - amounts falling due within one year	11(a)	[illegible]		[illegible]	
NET CURRENT ASSETS			[illegible]		[illegible]
TOTAL ASSETS LESS CURRENT LIABILITIES			890,634		774,004
Creditors - amounts falling due in more than one year	11(b)		[illegible]		[illegible]
			876,287		753,498
CAPITAL & RESERVES					
Called up Share Capital	12		101,000		101,000
Profit and Loss Account	13		[illegible]		[illegible]
			876,287		753,498

The directors have relied on the exemptions for individual financial statements contained in Sections 247 to 249 of the Companies Act 1985 because, under that Act, the company is entitled to benefit from those exemptions as a small/medium company

J W Gray } DIRECTORS

APPROVED BY THE BOARD 10 NOVEMBER 1992.

CRISPIN & BORST LIMITED

STATEMENT OF SOURCE & APPLICATION OF FUNDS FOR THE YEAR ENDED 28 FEBRUARY 1989

	1989 £	1989 £	1988 £	1988 £
SOURCE OF FUNDS				
Profit before taxation		197,174		164,422
Adjustment for items not involving the movement of funds:				
Depreciation		82,588		77,391
TOTAL GENERATED FROM OPERATIONS		279,762		241,813
Funds from other Sources				
Sale of Fixed Assets		3,100		12,320
		282,862		254,133
Less: Application of Funds				
Purchase of Fixed Assets	101,271		50,915	
Tax paid	65,273	166,544	47,171	98,086
		116,318		156,047
INCREASE/(DECREASE) IN WORKING CAPITAL				
Stock & Work in Progress		(277,700)		(517,063)
Debtors		258,026		509,058
Creditors		(356,014)		118,317
Holding Company		(233,901)		(52,469)
Associated Companies		815,270		(3,700)
		205,681		133,943
Movement in Net Liquid Funds:				
Bank and Cash Balances		(89,363)		22,104
		116,318		156,047

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 1989

1. ACCOUNTING POLICIES

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

(b) Tangible Fixed Assets:

i) There 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 Accounh when they occur, and the relevant gross value and accumulated depreciation eliminated from the Accounts.

2. TURNOVER

Turnover, which excludes Value Added Tax, represents amounts invoiced to third parties in the United Kingdom.

3. INTEREST RECEIVABLE & SIMILAR INCOME

	1989 £	1988 £
Bank Deposit Interest	6,917	3,882

4. INTEREST PAYABLE & SIMILAR CHARGES

	1989 £	1988 £
Bank Interest on overdraft	14,887	3,962
Hire Purchase Interest	7,139	6,470
	22,026	10,432

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging........

	1989 £	1988 £
Depreciation	82,588	77,391
Auditors' Remuneration	5,000	4,200
Hire of Office Equipment	924	6,360
Loss on Sale of Motors	-	1,270
and after crediting.........		
Profit on Sale of Motors	1,070	-

6. TAXATION

United Kingdom Corporation Tax due -

	1989 £	1988 £
on current year's Profits	74,512	65,400
previously under-reserved	13	6
Group relief for earlier years	(140)	-
Interest	-	865
	74,385	66,271

7. DIRECTORS & EMPLOYEES

Staff Costs

	1989 £	1988 £
Wages & Salaries	966,556	739,237
Social Security Costs	83,568	69,248
	1,050,124	808,485

CRISPIN & BORST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 28 FEBRUARY 1989

7. DIRECTORS & EMPLOYEES (continued)

	1989	1988
The average number employed by the Company was -		
Operatives	35	37
Administratives	54	53
	89	90

8. TANGIBLE FIXED ASSETS

	Plant & Office Equipment £	Motors £	Total £
Cost as at 1/3/88	237,371	400,803	638,174
Additions	33,982	67,289	101,271
Disposals	-	(17,782)	(17,782)
Cost as at 28/2/89	271,353	450,310	721,663
Depreciation as at 1/3/88	162,482	243,463	405,945
Provision for year	27,207	55,381	82,588
Eliminated in respect of disposals	-	(14,682)	(14,682)
Depreciation as at 28/2/89	189,689	284,162	473,851
NET BOOK VALUE as at 28/2/89	81,664	166,148	247,812
Net Book Value as at 28/2/88	74,889	157,340	232,229

9. STOCKS AND WORK IN PROGRESS are valued by the Directors at the lower of cost and net realisable value.

10. DEBTORS - amounts due within one year

	1989 £	1988 £
Debtors	1,239,674	973,617
Prepayments	6,741	14,772
Amount owed by Holding Company	550,020	783,021
Amount owed by associated Companies	1,029,558	201,690
	2,825,993	1,974,000

11. CREDITORS

(a) Amounts falling due within one year

	1989	1988
Bank Overdraft	458,893	368,475
Hire Purchase - current portion	25,481	36,943
Trade Creditors	1,557,321	1,337,138
Amount due to associated companies	151,232	141,642
Other Creditors	38,202	46,857
Accruals	7,982	5,518
Taxation & Social Security	183,079	30,376
Corporation Tax	74,312	65,400
	2,496,515	2,032,349

11. CREDITORS (continued)

(b) Amounts falling due after one year

	1989 £	1988 £
Hire Purchase - payable over 21 months from 1/3/90 at variable rates of interest	22,347	21,386

12. SHARE CAPITAL

Authorised:		
180,000 Deferred Shares of £1. each	180,000	180,000
7,000,000 Ordinary Shares of 1p. each	70,000	70,000
	250,000	250,000
Issued, Allotted & Fully Paid:		
180,000 Deferred Shares of £1. each	[illegible]	[illegible]
180,000 Ordinary Shares of 1p. each	[illegible]	[illegible]
	181,800	[illegible]

13. RESERVES

Profit and Loss Account:		
as at 1/3/88	571,698	428,541
Transfer revaluation reserve	-	35,006
Retained Profits for year	122,789	108,151
as at 28/2/89	694,487	571,698

14. HOLDING COMPANY

The Ultimate Holding Company is C & B Holdings Limited which is incorporated in England.

15. There are contingent liabilities in respect of cross guarantees given on associated companies overdrafts which as at 28 February 1989 amounted to £351,252.