

COMPANIES
HOUSE

1301330

JOHN CROWLEY (MAIDSTONE) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1999



A20
COMPANIES HOUSE

ANLUCMFQ

0400
20/12/99

(Wales)

20/12/99

JOHN CROWLEY (MAIDSTONE) LIMITED

CONTENTS

	Page
Company Information	1
Directors' Report	2 to 3
Auditors' Report	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Financial Statements	8 to 16

The following pages do not form part of the statutory accounts:

Management Profit and Loss Account	17 to 18
---	-----------------

JOHN CROWLEY (MAIDSTONE) LIMITED

COMPANY INFORMATION

Directors	K.R Ellis S.M. Spooner D.J. Grier R.K. Dyke
Secretary	S.M. Spooner
Company Number	1301330
Registered Office	124/130 Seymour Place London W1H 6AA
Auditors	Bright Grahame Murray 124/130 Seymour Place London W1H 6AA

JOHN CROWLEY (MAIDSTONE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST AUGUST 1999

The directors present their report together with the audited financial statements for the year ended 31st August 1999.

Results and Dividends

The results for the year are set out in the profit and loss account on page 5.

The directors recommend the payment of a dividend amounting to £150,000 (1998 £150,000) and the retained profit of £317,310 will be added to reserves.

Principal Activity and Review of the Business

The principal activity of the company continues to be that of Highways Maintenance and Civil Engineering Contracting, primarily to the local authorities. During the past year the company has increased slightly its percentage of work carried out for non public bodies but this remains very minor compared to the company's public body turnover.

During this financial year the company gained accreditation to BS14001 for its environmental practices. The drive for accreditation to Investors in People standard continues and it is hoped that this will be achieved early in the year 2000.

During the year the company has relocated its office functions to a newly refurbished block on the same site. This has meant that both the systems and office capacity allow for the medium term growth suggested by the company's strategy. The Directors are generally satisfied with the company's performance, particularly in the second half of the year.

Fixed Assets

The changes in fixed assets during the year are summarised in the notes to the financial statements.

Year 2000 Issue

The directors are addressing the risks and uncertainties associated with the Year 2000 Issue and are satisfied that the steps currently taken will result in no significant implications for the company's ability to continue as a going concern.

Directors and Their Interests

The directors at 31st August 1999 and their beneficial interests in the company's issued share capital were as follows:

	<u>At</u> <u>31st August 1999</u> <u>Ordinary Shares</u>	<u>At</u> <u>1st September 1998</u> <u>Ordinary Shares</u>
K.R Ellis	121,800	121,800
S.M. Spooner	18,200	18,200
D.J. Grier	-	-
R.K. Dyke	-	-

JOHN CROWLEY (MAIDSTONE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST AUGUST 1999

Charitable Contributions

During the year the company made various charitable contributions totalling £377 (1998: £850).

Directors' Responsibilities for the Financial Statements

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 company's affairs and of the profit or loss for that year. In preparing those financial statements the directors are required to:

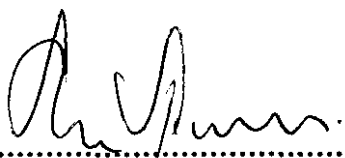
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure 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.

Auditors

A resolution to re-appoint Messrs Bright Grahame Murray, Chartered Accountants, of 124/130 Seymour Place, London, W1H 6AA., as auditors of the company will be proposed at the Annual General Meeting.

By order of the board



.....
Secretary

Date: 6 12 99

AUDITORS' REPORT TO THE

SHAREHOLDERS OF JOHN CROWLEY (MAIDSTONE) LIMITED

We have audited the financial statements on pages 5 to 16 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

Respective Responsibilities of Directors and Auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and 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 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 the 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 as at 31st August 1999 and of its profit and cashflow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bright Grahame Murray
Chartered Accountants
and Registered Auditors
124/130 Seymour Place
London
W1H 6AA

14th December 1999

JOHN CROWLEY (MAIDSTONE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST 1999

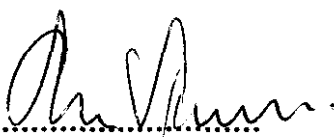
	Notes	1999 £	1998 £
Turnover	2	17,317,217	15,297,154
Cost of sales		14,297,485	12,251,093
Gross Profit		3,019,732	3,046,061
Distribution costs		773,650	742,464
Administrative expenses		1,477,741	1,397,696
Operating Profit	3	768,341	905,901
Interest receivable		20,391	48,525
Interest payable	5	(88,291)	(44,580)
Profit on Ordinary Activities before Taxation		700,441	909,846
Tax on profit on ordinary activities	6	233,131	263,375
Profit for the Financial Year		467,310	646,471
Dividends	7	150,000	150,000
Retained Profit for the Financial Year		317,310	496,471
Retained profit brought forward		1,994,881	1,498,410
Retained profit carried forward		2,312,191	1,994,881

All amounts relate to continuing activities.

There were no recognised gains and losses for 1999 or 1998 other than those included in the profit and loss account.

JOHN CROWLEY (MAIDSTONE) LIMITED**BALANCE SHEET AS AT 31ST AUGUST 1999**

	Notes	1999	1998
		£	£
Fixed Assets			
Tangible assets	8	1,794,589	1,414,786
Current Assets			
Stocks and work in progress	9	140,816	314,733
Debtors	10	3,776,453	2,814,062
Cash at bank and in hand		58,517	39,748
		<u>3,975,786</u>	<u>3,168,543</u>
Creditors			
Amounts falling due within one year	11	<u>2,809,586</u>	<u>2,133,396</u>
Net Current Assets		<u>1,166,200</u>	<u>1,035,147</u>
Total Assets Less Current Liabilities		<u>2,960,789</u>	<u>2,449,933</u>
Creditors			
Amounts falling due after more than one year	12	<u>508,598</u>	<u>315,052</u>
		<u>2,452,191</u>	<u>2,134,881</u>
Capital and Reserves			
Called up share capital	16	140,000	140,000
Profit and loss account		<u>2,312,191</u>	<u>1,994,881</u>
Shareholders' funds	18	<u>2,452,191</u>	<u>2,134,881</u>


.....
Director
.....
Director

Approved on: 6 12 99

JOHN CROWLEY (MAIDSTONE) LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST AUGUST 1999**

	Notes	1999 £	1998 £
Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities			
Operating profit		768,341	905,901
Depreciation		255,080	216,272
Loss/(Profit) on sale of fixed assets		501	(2,443)
Decrease/(Increase) in stocks		173,917	(143,603)
(Increase) in debtors		(999,891)	(342,307)
Increase in creditors		750,694	331,946
Net Cash Inflow from Operating Activities		948,642	965,766
CASH FLOW STATEMENT			
Net Cash Inflow from Operating Activities		948,642	965,766
Returns on Investments and Servicing of Finance	19	(60,086)	3,945
Taxation		(318,275)	62,142
Capital Expenditure	19	(480,632)	(236,113)
Equity Dividends Paid		(150,000)	(150,000)
Financing	19	79,120	(161,911)
Increase in Cash		18,769	483,829
Reconciliation of Net Cash Flow to Movement in Net Debt			
Increase in Cash in the Year		18,769	483,829
Cash (inflow)/outflow from increase/decrease in net debt		(79,120)	161,911
New finance leases		(154,752)	(174,949)
(Increase)/decrease in Net Debt		(215,103)	470,791
Net Debt at 1st September 1998		(399,101)	(869,892)
Net Debt at 31st August 1999	20	(614,204)	(399,101)

The notes on pages 8 to 16 form part of these financial statements.

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

1 Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful life, on a straight line basis at the following rates per annum:-

Freehold properties	1 % p.a on a straight line basis
Plant and machinery	15 % p.a. on a straight line basis
Motor vehicles	17 % to 25 % p.a. on a straight line basis
Furniture, fixtures, fittings and equipment	25 % p.a. on a straight line basis

Stock and Work in Progress

Stock and work in progress is stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Pensions

The company contributes to employees money purchase personal pension schemes. The amount charged to the profit and loss account represents the company contributions paid during the period.

Assets held under finance leases and hire purchase contracts

Assets financed by finance lease agreements and hire purchase contracts are treated as if they had been purchased outright and capitalised. The corresponding leasing or hire purchase commitments are included in liabilities.

Payments are apportioned between interest which is charged to the profit and loss account, and capital which reduces the outstanding commitment.

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

Operating Leases

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

The turnover and operating profit for the year were derived from the company's principal activity which was carried out wholly in the United Kingdom.

3 Operating Profit

<i>This is stated after charging:</i>	1999	1998
	£	£
Depreciation of owned assets	153,247	147,664
Depreciation of assets held under hire purchase contracts	101,833	68,608
Loss/(profit) on disposal of fixed assets	501	(2,443)
Directors' remuneration	250,401	318,348
Hire of plant, equipment and commercial vehicles	1,352,741	1,122,921
Operating lease rentals - other assets	88,733	71,221
Operating lease rentals - land and buildings	110,721	91,944
Auditors' remuneration	15,000	13,500

4 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	1999	1998
	£	£
Wages and salaries	4,175,643	3,636,547
Social security costs	401,164	347,401
Other pension costs	27,189	28,528
	<u>4,603,996</u>	<u>4,012,476</u>

The average weekly number of employees, including directors, during the year was as follows:

	1999	1998
	Number	Number
Office and Management	47	34
Production and Sales	143	99
	<u>190</u>	<u>133</u>

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

Directors' emoluments

	1999	1998
	£	£
Remuneration for executive services	228,257	294,865
Pension contributions	22,144	23,483
	<u>250,401</u>	<u>318,348</u>

Retirement benefits are accruing to two directors under a money purchase scheme.

The highest paid director received emoluments as follows:-

	1999	1998
	£	£
Emoluments	86,973	165,583
Contributions to money purchase pension scheme	18,184	19,523
	<u>105,157</u>	<u>185,106</u>

5 Interest Payable and Similar Charges

	1999	1998
	£	£
Bank loans and overdraft	61,660	17,747
Hire purchase contracts	26,631	26,833
	<u>88,291</u>	<u>44,580</u>

6 Taxation

	1999	1998
	£	£
Corporation tax based on the profits for the year at 31% and 30% (1998: 31%)	233,131	263,375

7 Dividends

	1999	1998
	£	£
Ordinary dividends - proposed	150,000	150,000

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

8 Tangible Fixed Assets

	Freehold Land and Buildings	Plant and Machinery	Motor Vehicles	Furniture, fixtures, fittings and Equipment	Total
Cost	£	£	£	£	£
At 1st September 1998	599,950	400,197	1,031,328	108,777	2,140,252
Additions	458,701	8,750	96,226	82,526	646,203
Disposals	-	(16,300)	(43,007)	-	(59,307)
At 31st August 1999	1,058,651	392,647	1,084,547	191,303	2,727,148
Depreciation					
At 1st September 1998	8,594	116,913	552,470	47,489	725,466
Charge for the year	9,057	55,396	155,283	35,344	255,080
Disposals	-	(9,109)	(38,878)	-	(47,987)
At 31st August 1999	17,651	163,200	668,875	82,833	932,559
Net Book Value					
At 31st August 1999	1,041,000	229,447	415,672	108,470	1,794,589
<i>At 31st August 1998</i>	<i>591,356</i>	<i>283,284</i>	<i>478,858</i>	<i>61,288</i>	<i>1,414,786</i>

The net book value of tangible fixed assets includes £345,406 (1998:£355,241) in respect of assets held under hire purchase contracts. The depreciation charged on these assets in the year was £101,833 (1998: £68,608).

9	Stock and work in progress	1999 £	1998 £
	Raw materials	47,282	44,012
	Work in progress	93,534	270,721
		140,816	314,733

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

10	Debtors	1999 £	1998 £
	Trade debtors	3,659,458	2,666,368
	Other debtors	13,761	52,558
	Prepayments and accrued income	103,234	95,136
		<u>3,776,453</u>	<u>2,814,062</u>

Included in debtors are amounts of £ NIL which are due after more than one year (1998: £37,500).

11	Creditors: Amounts Falling Due Within One Year	1999 £	1998 £
	Mortgage loan (Note 13)	35,901	17,500
	Obligations under hire purchase contracts (Note 14)	128,222	106,297
	Trade creditors	1,508,937	1,058,707
	Corporation tax	140,731	263,375
	Other taxes and social security	427,735	240,388
	Proposed dividends	150,000	150,000
	Other creditors	12,010	11,712
	Accruals and deferred income	406,050	285,417
		<u>2,809,586</u>	<u>2,133,396</u>

Under a debenture dated 3rd July, 1978 the bank overdraft and loan facility is secured by a fixed and floating charge over the assets of the company.

12	Creditors: Amounts Falling Due After One Year	1999 £	1998 £
	Mortgage loan (Note 13)	357,710	135,625
	Obligations under hire purchase contracts (Note 14)	150,888	179,427
		<u>508,598</u>	<u>315,052</u>

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

13	Mortgage Loan	1999	1998
		£	£
	Due within one year	35,901	17,500
	Due after more than one year	357,710	135,625
		393,611	153,125

Analysis of repayments:

Within one year	35,901	17,500
Between one and two years	40,312	17,500
Between two and five years	147,403	52,500
After five years	169,995	65,625
	393,611	153,125

Secured on company's freehold property with interest at 2% above base rate repayable in quarterly instalments of £17,108 (including interest), commencing on 15th July, 1999.

14	Obligations Under Hire Purchase Contracts	1999	1998
		£	£
	Due within one year	128,222	106,297
	Due after more than one year	150,888	179,427
		279,110	285,724

Analysis of repayments:

Within one year	128,222	106,297
In two to five years	150,888	179,427
	279,110	285,724

15 Deferred Taxation

The potential liability for deferred tax which is unprovided in the accounts is as follows:-

	1999	1998
	£	£
Accelerated capital allowances	30,089	57,203

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

16	Share Capital	1999	1998
		£	£
	Authorised		
	Equity Shares		
	Ordinary shares of £1.00 each	<u>500,000</u>	<u>500,000</u>
	Allotted, called up and fully paid		
	Equity Shares		
	Ordinary shares of £1.00 each	<u>140,000</u>	<u>140,000</u>

17 Operating Lease Commitments

At 31st August, 1999 the company had annual commitments under non-cancellable operating leases which expire:

	<u>Land and buildings</u>		<u>Vehicles and equipment</u>	
	1999	1998	1999	1998
	£	£	£	£
Within one year	-	-	71,817	65,248
Between two and five years	32,280	14,500	64,307	90,190
After five years	71,000	71,000	-	-
	<u>103,280</u>	<u>85,500</u>	<u>136,124</u>	<u>155,438</u>

The company's property leases are subject to normal rent reviews.

18	Reconciliation of Shareholders' Funds	1999	1998
		£	£
	Profit for the financial year	467,310	646,471
	Dividends	(150,000)	(150,000)
		<u>317,310</u>	<u>496,471</u>
	Opening shareholders' funds	2,134,881	1,638,410
	Closing shareholders' funds	<u>2,452,191</u>	<u>2,134,881</u>

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

19 Gross Cash Flows

	1999 £	1998 £
Returns on Investments and Servicing of Finance		
Interest received	20,391	48,525
Interest paid	(53,846)	(17,747)
Interest element of finance lease rentals payment	(26,631)	(26,833)
Net cash (outflow)/inflow for returns on investments and servicing of finance	(60,086)	3,945
Capital Expenditure		
Payments to acquire tangible fixed assets	(491,451)	(250,369)
Proceeds from the sale of fixed assets	10,819	14,256
Net cash outflow for capital expenditure	(480,632)	(236,113)
Financing		
Mortgage on property	244,436	-
Capital element of mortgage repayments	(3,950)	(17,500)
Capital element of hire purchase contract payments	(161,366)	(144,411)
Net cash inflow/(outflow) from financing	79,120	(161,911)

20 Analysis of Changes in Net Debt

	1998 £	Cash flows £	Non-cash Changes £	1999 £
Cash at Bank and in Hand	39,748	18,769	-	58,517
Debt due within one year	(17,500)	(18,401)	-	(35,901)
Debt due after one year	(135,625)	(222,085)	-	(357,710)
Finance leases	(285,724)	161,366	(154,752)	(279,110)
	(438,849)	(79,120)	(154,752)	(672,721)
	(399,101)	(60,351)	(154,752)	(614,204)

21 Major Non-Cash Transactions

During the year to company entered into hire purchase contracts in respect of assets with a total capital value at the inception of the contracts of £154,752 (1998: £174,949).

JOHN CROWLEY (MAIDSTONE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 1999

22 Related Party Transactions

In the opinion of the directors, the company is controlled by the majority shareholder, director Mr. K.R. Ellis.

Included in plant and machinery hire charges is £144,897 (1998: £128,856) which was invoiced by Rematt Limited, a company in which K.R. Ellis and S.M. Spooner are directors and is controlled by their spouses.

At 31st August, 1999 the company owed Rematt Limited £13,204 (1998: £7,048).