

F J CHALCROFT (CONSTRUCTION) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

Registered number : 1435810



F J CHALCROFT (CONSTRUCTION) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

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F J CHALCROFT (CONSTRUCTION) LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2000

The directors present the report of the Board and the audited financial statements of the company for the year ended 31 March 2000.

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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:-

- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and estimates that are reasonable and prudent.
- 3) 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 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.

Principal activities

The principal activity of the company is that of building contractors and civil engineers.

Business review

The directors consider the results for the year to be satisfactory.

Results and dividends

	2000	1999
	£	£
Profit after tax for the year	351,805	658,873
Interim dividends	-	380,000
Preference dividends	23,143	120,420
Transfer to reserves	<u>328,662</u>	<u>158,453</u>

F J CHALCROFT (CONSTRUCTION) LIMITED
DIRECTORS' REPORT (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

Fixed assets

Acquisition and disposal of fixed assets during the year are shown in the notes to the accounts.

Land and buildings

In the opinion of the directors, the value of the company's freehold land and buildings is not materially in excess of that shown in the financial statements in relation to its use in the company's trade.

Directors

The directors who served during the year are shown below.

F J Chalcroft
J E Reeve
S A England (Appointed 29 June 2000)
M A Reeve (Appointed 29 June 2000)

In accordance with the Articles of Association, J E Reeve retires by rotation and offers himself for re-election.

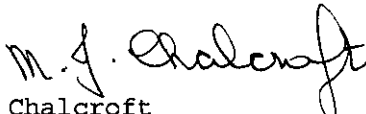
The directors' beneficial interests in the issued ordinary share capital were as follows:

	2000 No.	1999 No.
Ordinary £1 shares:		
J E Reeve	50	50
F J Chalcroft	50	50
Preference £1 shares:		
F J Chalcroft	96,000	96,000

Auditors

The auditors, Rabjohns, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board and signed by order of the Board.

Signed 
Mrs M J Chalcroft
Company secretary

Date: 5th November 2000

**F J CHALCROFT (CONSTRUCTION) LIMITED
AUDITORS' REPORT
TO F J CHALCROFT (CONSTRUCTION) LIMITED
FOR THE YEAR ENDED 31 MARCH 2000**

We have examined the abbreviated accounts set out on pages 5 to 19 together with the financial statements of the company for the year ended 31 March 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 19 are properly prepared in accordance with those provisions.



1,2,3 & 4 College Yard
Worcester
WR1 2LB
5 November 2000

Rabjohns
Registered Auditor

F J CHALCROFT (CONSTRUCTION) LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000

	Note	2000 £	1999 £
Gross profit		1,351,405	1,427,679
Administrative expenses		846,902	511,708
Operating profit	2		
Continuing operations		504,503	915,971
Interest receivable and similar income	4	11,966	28,839
Profit on ordinary activities before taxation		516,469	944,810
Tax on ordinary activities	5	164,664	285,937
Profit on ordinary activities after taxation		351,805	658,873
Profit for the financial year		351,805	658,873
Dividends	6	23,143	500,420
Retained profit for the financial year		328,662	158,453

The notes on pages 9 to 19 form part of these accounts

F J CHALCROFT (CONSTRUCTION) LIMITED
ABBREVIATED BALANCE SHEET
AT 31 MARCH 2000

	Notes	2000 £	1999 £
Fixed assets			
Tangible assets	7	389,842	306,554
Investments	8	2	-
		<u>389,844</u>	<u>306,554</u>
Current assets			
Stock	9	335,539	-
Debtors	10	2,238,941	2,100,200
Cash at bank and in hand		371,560	448,799
		<u>2,946,040</u>	<u>2,548,999</u>
Creditors: Amounts falling due within one year	11	2,315,486	2,162,274
Net current assets		<u>630,554</u>	<u>386,725</u>
Total assets less current liabilities		<u>1,020,398</u>	<u>693,279</u>
Provisions for liabilities and charges	12	5,076	6,619
		<u>1,015,322</u>	<u>686,660</u>
Capital and reserves			
Called up share capital	13	180,100	180,100
Revaluation reserve	14	6,182	56,552
Profit and loss account	14	829,040	450,008
		<u>1,015,322</u>	<u>686,660</u>
Shareholders funds represent amounts:			
Attributable to equity shareholders		835,322	506,660
Attributable to non-equity shareholders		180,000	180,000
		<u>1,015,322</u>	<u>686,660</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium size companies.

Signed on behalf of the board

F J Chalcroft
Director

 5 November 2000

The notes on pages 9 to 19 form part of these accounts

F J CHALCROFT (CONSTRUCTION) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2000

	Note	2000	1999
		£	£
Net cash inflow from operating			
activities 17a		314,449	1,111,120
Returns on investments and servicing of finance			
Interest received		11,966	28,839
		<u>11,966</u>	<u>28,839</u>
Taxation			
UK Corporation tax		208,031	76,183
		<u>208,031</u>	<u>76,183</u>
		(208,031)	(76,183)
Capital expenditure			
Purchase of tangible fixed assets		(236,047)	(108,562)
Purchase of investments		(2)	-
Sale of tangible fixed assets		167,037	126,497
		<u>(69,012)</u>	<u>17,935</u>
		49,372	1,081,711
Dividends paid		(23,143)	(500,420)
		<u>26,229</u>	<u>581,291</u>
Financing			
Loan (repayments)/advances		(116,960)	341
		<u>(116,960)</u>	<u>341</u>
(Decrease)/Increase in the cash in the year		<u>(90,731)</u>	<u>581,632</u>
Reconciliation of net cash flow to movement in net debt 17b			
(Decrease)/Increase in cash in the year		(90,731)	581,632
Cash outflow from debt and lease financing		(116,960)	-
Movement in net funds		26,229	581,632
Net funds/(debt) at 1 April 1999		448,417	(132,833)
Net funds at 31 March 2000		<u>474,646</u>	<u>448,799</u>

The notes on pages 9 to 19 form part of these accounts

F J CHALCROFT (CONSTRUCTION) LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2000

	2000 £	1999 £
Profit for the financial year	351,805	658,873
Total recognised gains and losses for the year	<u>351,805</u>	<u>658,873</u>

Note of historical cost profits and losses

	2000 £	1999 £
Reported profit on ordinary activities before taxation	516,469	944,810
Realisation of property revaluation gains of previous years	<u>50,370</u>	<u>48,766</u>
Historical cost profit on ordinary activities before taxation	<u>566,839</u>	<u>993,576</u>
Historical cost profit for the year retained	<u>379,032</u>	<u>207,219</u>

F J CHALCROFT (CONSTRUCTION) LIMITED
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31 MARCH 2000

	2000 £	1999 £
Profit for the financial year	351,805	658,873
Dividends	<u>23,143</u>	<u>500,420</u>
Net addition to/(reduction in) shareholders' funds	328,662	158,453
Opening shareholders' funds	<u>686,660</u>	<u>528,207</u>
Closing shareholders' funds	<u>1,015,322</u>	<u>686,660</u>

The notes on pages 9 to 19 form part of these accounts

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

1. Accounting policies

1a. Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of some assets, and are in accordance with accounting standards.

1b. Tangible fixed assets

Land and building are shown at original historical cost or subsequent valuation as set out in note 7. Other fixed assets are shown at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life on a straight line basis.

Plant	20%
Motor vehicles	20%
Computer equipment	33%

1c. Investments

Fixed asset investments are shown at cost less amounts written off. Provisions are made for temporary fluctuations in value.

1d. Contract work

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of work carried out at the year end by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1e. Deferred taxation

Deferred taxation is provided in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the near future.

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

1. Accounting policies (cont.)

1f. Pension costs

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an administered fund. The pension costs are charged to the profit and loss account as they are incurred.

1g. Foreign currency

Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date; other assets are translated at the rate of exchange as at the date of the transaction. Profits and losses on translation and conversion are included as part of the results from ordinary activities for the year.

1h. Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

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.

1i. Revaluation reserve

Surpluses or deficits arising on the revaluation of individual fixed assets other than investment properties are credited or debited to a non-distributable reserve known as the revaluation reserve.

Revaluation deficits in excess of the amount of prior revaluation surpluses on the same asset are charged to the profit and loss account.

F J CHALCROFT (CONSTRUCTION) LIMITED
 NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
 FOR THE YEAR ENDED 31 MARCH 2000

2. Operating profit

	2000 £	1999 £
Profit on ordinary activities is stated after charging:		
Operating leases:-		
Plant hire	880,891	776,538
Rent	3,386	-
Auditors' remuneration:-		
Audit services	6,225	7,220
Non-audit services	21,042	9,543
Depreciation and amortisation:-		
Tangible assets	67,178	51,399
Staff costs (note 3)	357,099	221,549

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

3. Directors and employees

Particulars of employees (including directors) are shown below:

Employee costs during the year amounted to:	2000	1999
	£	£
Wages and salaries	305,693	193,715
Social security costs	42,885	18,552
Other pension costs	8,521	9,282
	<u>357,099</u>	<u>221,549</u>

The average monthly numbers of employees during the year were as follows:

	2000	1999
	No.	No.
Administration	8	8
Production	65	61
	<u>73</u>	<u>69</u>

Details of directors' emoluments are:

	2000	1999
	£	£
Directors' emoluments including benefits	<u>160,003</u>	<u>80,740</u>

4. Interest receivable and similar income

	2000	1999
	£	£
Other interest receivable	-	301
Bank interest receivable	11,966	28,538
	<u>11,966</u>	<u>28,839</u>

F J CHALCROFT (CONSTRUCTION) LIMITED
 NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
 FOR THE YEAR ENDED 31 MARCH 2000

5. Tax on profit on ordinary activities

	2000	1999
	£	£
Corporation tax payable at 26.52% (1999 - 31%)	166,207	283,101
Deferred taxation	(1,543)	6,619
	<u>164,664</u>	<u>289,720</u>
Adjustment of current taxation in respect of prior years	-	(3,783)
	<u>164,664</u>	<u>285,937</u>

The company is a close company under the terms of the Income and Corporation Taxes Act 1988.

6. Dividends

	2000	1999
	£	£
Non equity shares		
✓ Preference dividends paid	23,143	120,420
Equity shares		
Ordinary shares:		
Interim dividends	-	380,000
	<u>-</u>	<u>380,000</u>

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

7. Tangible fixed assets

	Investment properties £	Freehold property £	Motor vehicles £
Cost or valuation			
At 1 April 1999	142,435	-	217,028
Additions	-	159,961	64,967
Disposals	(77,460)	-	(34,603)
	<hr/>	<hr/>	<hr/>
At 31 March 2000	64,975	159,961	247,392
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 1999	-	-	63,160
Disposals	-	-	(26,482)
For the year	-	-	60,420
	<hr/>	<hr/>	<hr/>
At 31 March 2000	-	-	97,098
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2000	64,975	159,961	150,294
	<hr/>	<hr/>	<hr/>
At 31 March 1999	142,435	-	153,868
	<hr/>	<hr/>	<hr/>

	Plant and machinery £	Fixtures and equipment £	Total £
Cost or valuation			
At 1 April 1999	24,595	24,339	408,397
Additions	850	10,269	236,047
Disposals	-	-	(112,063)
	<hr/>	<hr/>	<hr/>
At 31 March 2000	25,445	34,608	532,381
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 1999	22,149	16,534	101,843
Disposals	-	-	(26,482)
For the year	1,046	5,712	67,178
	<hr/>	<hr/>	<hr/>
At 31 March 2000	23,195	22,246	142,539
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2000	2,250	12,362	389,842
	<hr/>	<hr/>	<hr/>
At 31 March 1999	2,446	7,805	306,554
	<hr/>	<hr/>	<hr/>

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

7. Tangible fixed assets (cont.)

Investment Properties

Investment properties are included in the financial statements at 31 March 2000 at an open market value, in the opinion of the directors, of £64,975.

8. Fixed asset investments

	Shares in group undertakings £	Total £
Cost or valuation		
Additions	2	2
At 31 March 2000	2	2
Amounts written off		
At 31 March 2000	-	-
Net Book Amounts		
At 31 March 2000	2	2

Fixed asset investments include the following holdings:-

Name	Country of registration	Holding	Proportion of shares held
------	----------------------------	---------	------------------------------

9. Stock	2000 £	1999 £
Development land	335,539	-

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

10. Debtors	2000	1999
	£	£
Trade debtors	1,137,733	1,472,549
Amounts recoverable on contracts	888,107	559,131
Other debtors	47,636	36,133
Amounts due from directors	116,990	-
Prepayments and accrued income	48,475	32,387
	<u>2,238,941</u>	<u>2,100,200</u>

11. Creditors: amounts falling due within one year	2000	1999
	£	£
Bank overdraft	13,492	-
Trade creditors	2,004,690	1,857,717
Other creditors	24,100	18,528
Corporation tax	166,207	157,996
ACT payable	-	50,035
Other taxes and social security	49,700	53,902
Amounts due to directors	412	382
Accruals	56,885	23,714
	<u>2,315,486</u>	<u>2,162,274</u>

The bank overdraft is secured by a debenture dated 29 May 1984 and a charge over the investment properties dated 25 October 1996.

12. Provisions for liabilities and charges	2000	1999
	£	£
Deferred taxation	<u>5,076</u>	<u>6,619</u>
Movement on deferred taxation		
	2000	1999
	£	£
Unprovided liability	<u>Nil</u>	<u>Nil</u>
Provided liability:		
At 1 April 1999	6,619	-
Charged to the profit and loss account	<u>(1,543)</u>	<u>6,619</u>
At 31 March 2000	<u>5,076</u>	<u>6,619</u>

The calculation of the provision and the unprovided liability are based upon a corporation tax rate of 26.52% (1999 - 31%).

F J CHALCROFT (CONSTRUCTION) LIMITED
 NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
 FOR THE YEAR ENDED 31 MARCH 2000

14. Called Up Share Capital	2000 £	1999 £
Authorised:		
180,000 preference shares of £1 each	180,000	180,000
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, issued and fully paid:		
180,000 preference shares of £1 each	180,000	180,000
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
	180,100	180,100
	<hr/>	<hr/>

Preference shares of £1 each

The rights of the preference shareholders include entitlement to receive a dividend in priority to the other remaining classes of shares.

Except in restricted circumstances, the shares do not carry an entitlement to vote at a general meeting.

14. Reserves

	Revaluat -ion reserve £	Profit and loss account £
At 1 April 1999	56,552	450,008
Profit for the year		328,662
Transfer of realised profits	(50,370)	50,370
	<hr/>	<hr/>
At 31 March 2000	6,182	829,040
	<hr/>	<hr/>

15. Lease commitments

The company has entered into non-cancellable operating leases which will result in the following minimum annual lease payments in respect of leases expiring :-

	2000 £	1999 £
Other:		
- within 2-5 years	12,000	-
	<hr/>	<hr/>

F J CHALCROFT (CONSTRUCTION) LIMITED
 NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
 FOR THE YEAR ENDED 31 MARCH 2000

16. Transactions with directors

Included within debtors are amounts due to the company from its directors as follows:-

	2000	1999
	£	£
J E Reeve	116,990	-
	<u> </u>	<u> </u>

The year end balances represent the highest balances during the year and consisted of private payments on behalf of the director.

Included within creditors are amounts due from the company to its directors as follows:-

	2000	1999
	£	£
F J Chalcroft	412	382
	<u> </u>	<u> </u>

F J CHALCROFT (CONSTRUCTION) LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 31 MARCH 2000

17. Cash flow statement

17a. Reconciliation of operating profit to net cash flow from operating activities

	2000	1999
	£	£
Operating profit	504,503	915,971
Depreciation	67,178	51,399
Loss on sale of tangible fixed assets	(81,456)	(27,383)
Increase in stocks	(335,539)	-
(Increase)/Decrease in debtors	(21,751)	1,867,209
Increase/(Decrease) in creditors	181,514	(1,608,573)
Net cash inflow from operating activities	<u>314,449</u>	<u>1,198,623</u>

17b. Analysis of net debt

	1 April 1999		31 March 2000
	Cash flow		
	£	£	£
Cash in hand, at bank	448,799	(77,239)	371,560
Overdrafts	-	(13,492)	(13,492)
Debt due within one year	(382)	116,960	116,578
Total	<u>448,417</u>	<u>26,229</u>	<u>474,646</u>