

Company Registration No. 1435810 (England and Wales)

F J CHALCROFT (CONSTRUCTION) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2001



F J CHALCROFT (CONSTRUCTION) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Abbreviated profit and loss account	4
Abbreviated balance sheet	5
Cash flow statement	6
Notes to the cash flow statement	7
Notes to the abbreviated accounts	8 - 16

F J CHALCROFT (CONSTRUCTION) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2001

The directors present their report and financial statements for the year ended 31 March 2001.

Principal activities and review of the business

The principal activity of the company continued to be that of building contractors and civil engineers.

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

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £30,000. The directors do not recommend payment of a final dividend.

An interim preference dividend was paid amounting to £30,000. The directors do not recommend payment of a final preference dividend.

Post balance sheet events

Since the year end the company has undertaken a purchase of own shares, buying back its preference shares at par, £180,000.

Directors

The following directors have held office since 1 April 2000:

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

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 March 2001	1 April 2000
F J Chalcroft	50	50
J E Reeve	50	50
S A England	-	-
M A Reeve	-	-

	Preference shares of £ 1 each	
	31 March 2001	1 April 2000
F J Chalcroft	180,000	180,000
J E Reeve	-	-
S A England	-	-
M A Reeve	-	-

Auditors

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

F J CHALCROFT (CONSTRUCTION) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

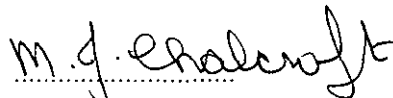
Directors' responsibilities

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:

- 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 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.

By order of the board



M J Chalcroft

Secretary

16.8.01

F J CHALCROFT (CONSTRUCTION) LIMITED

AUDITORS' REPORT TO F J CHALCROFT (CONSTRUCTION) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of the company for the year ended 31 March 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

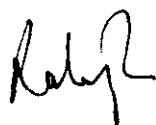
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of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

Basis of opinion

We have carried out the procedures we considered 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

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 4 to 16 are properly prepared in accordance with that provision.



Rabjohns

14 August 2001

Registered Auditor

1, 2, 3 & 4 College Yard
Worcester
WR1 2LB

F J CHALCROFT (CONSTRUCTION) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2001

	Notes	2001 £	2000 £
Gross profit		1,414,449	1,351,405
Administrative expenses		(1,116,511)	(846,902)
Operating profit	2	297,938	504,503
Other interest receivable and similar income		13,945	11,966
Interest payable and similar charges	3	(312)	-
Profit on ordinary activities before taxation		311,571	516,469
Tax on profit on ordinary activities	4	(76,233)	(164,664)
Profit on ordinary activities after taxation		235,338	351,805
Dividends (including those in respect of non-equity shares)	5	(60,000)	(23,143)
Retained profit for the year	16	175,338	328,662

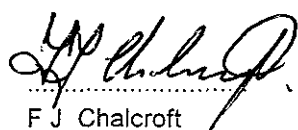
F J CHALCROFT (CONSTRUCTION) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MARCH 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	6 and 7		390,726		389,842
Investments	8		2		2
			<u>390,728</u>		<u>389,844</u>
Current assets					
Stocks	9	1,389,797		335,539	
Debtors	10	1,409,826		2,238,941	
Cash at bank and in hand		119,631		371,560	
		<u>2,919,254</u>		<u>2,946,040</u>	
Creditors: amounts falling due within one year	11	(2,093,017)		(2,315,486)	
Net current assets			<u>826,237</u>		<u>630,554</u>
Total assets less current liabilities			<u>1,216,965</u>		<u>1,020,398</u>
Creditors: amounts falling due after more than one year	12		(26,305)		-
Provisions for liabilities and charges	13		-		(5,076)
			<u>1,190,660</u>		<u>1,015,322</u>
Capital and reserves					
Called up share capital	15		180,100		180,100
Revaluation reserve	16		-		6,182
Profit and loss account	16		1,010,560		829,040
Shareholders' funds	17		<u>1,190,660</u>		<u>1,015,322</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 14/8/01.



F J Chalcroft
Director

F J CHALCROFT (CONSTRUCTION) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

	2001 £	2000 £
Net cash (outflow)/inflow from operating activities	(73,316)	197,489
Returns on investments and servicing of finance		
Interest received	13,945	11,966
Interest paid	(312)	-
Non equity dividends paid	(30,000)	(23,143)
Net cash outflow for returns on investments and servicing of finance	(16,367)	(11,177)
Taxation	(166,207)	(208,031)
Capital expenditure		
Payments to acquire tangible assets	(220,335)	(236,047)
Receipts from sales of tangible assets	230,686	167,038
Net cash inflow/(outflow) for capital expenditure	10,351	(69,009)
Acquisitions and disposals		
Purchase of subsidiary undertakings (net of cash acquired)	-	(2)
Net cash outflow for acquisitions and disposals	-	(2)
Equity dividends paid	(30,000)	-
Net cash outflow before management of liquid resources and financing	(275,539)	(90,730)
Financing		
Capital element of hire purchase contracts	(653)	-
Net cash outflow from financing	(653)	-
Decrease in cash in the year	(276,192)	(90,730)

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2001	2000
		£	£
	Operating profit	297,938	504,503
	Depreciation of tangible assets	93,967	67,178
	Loss/(profit) on disposal of tangible assets	8,003	(2,654)
	Profit on disposal of intangible assets	(78,412)	(78,802)
	Increase in stocks	(1,054,258)	(335,539)
	Decrease/(increase) in debtors	829,115	(138,741)
	(Decrease)/Increase in creditors within one year	(169,669)	181,544
	Net cash (outflow)/inflow from operating activities	(73,316)	197,489

2	Analysis of net funds	1 April 2000	Cash flow	Other non- 31 March 2001 cash changes
		£	£	£
	Net cash:			
	Cash at bank and in hand	371,560	(251,929)	-
	Bank overdrafts	(13,492)	(24,263)	-
		<u>358,068</u>	<u>(276,192)</u>	<u>-</u>
	Debt:			
	Finance leases	-	652	(34,792)
		<u>358,068</u>	<u>(275,540)</u>	<u>(34,792)</u>
	Net funds	358,068	(275,540)	47,736

3	Reconciliation of net cash flow to movement in net funds	2001	2000
		£	£
	Decrease in cash in the year	(276,192)	(90,731)
	Cash outflow from decrease in debt and lease financing	652	-
	Change in net debt resulting from cash flows	(275,540)	(90,731)
	New finance lease	(34,792)	-
	Movement in net funds in the year	(310,332)	(90,731)
	Opening net funds	358,068	448,799
	Closing net funds	47,736	358,068

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover comprises the value of sales (excluding VAT and similar taxes and trade discounts) of goods and services in the normal course of business.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and investment properties are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	2% straight line basis
Plant and machinery	20% straight line basis
Fixtures, fittings & equipment	33% straight line basis
Motor vehicles	25% - 33% straight line basis

Tangible fixed assets include investment properties which are stated at market value, in the opinion of the directors.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.8 Long term contracts

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.

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

1 Accounting policies

(continued)

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.10 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2	Operating profit	2001	2000
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	93,967	67,178
	Operating lease rentals		
	- Plant and machinery	643,095	880,891
	- Other assets	23,991	9,915
	Auditors' remuneration	6,280	6,225
		<u> </u>	<u> </u>
3	Interest payable	2001	2000
		£	£
	Hire purchase interest	312	-
		<u> </u>	<u> </u>
4	Taxation	2001	2000
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 22% (2000 - 27%)	81,309	166,207
	Deferred taxation	(5,076)	(1,543)
		<u> </u>	<u> </u>
		76,233	164,664
		<u> </u>	<u> </u>

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

5	Dividends	2001 £	2000 £
	Dividends on equity shares:		
	Ordinary interim paid 21 December 2000	30,000	-
	Dividends on non-equity shares:		
	Preference interim paid 21 December 2000	30,000	23,143
		<u>60,000</u>	<u>23,143</u>

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

6 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2000	159,961	25,445	34,608	247,392	467,406
Additions	38,768	4,000	37,354	100,741	180,863
Disposals	-	(25,445)	(18,109)	(42,546)	(86,100)
At 31 March 2001	198,729	4,000	53,853	305,587	562,169
Depreciation					
At 1 April 2000	-	23,195	22,246	97,098	142,539
On disposals	-	(24,357)	(18,109)	(22,597)	(65,063)
Charge for the year	3,975	1,962	15,185	72,845	93,967
At 31 March 2001	3,975	800	19,322	147,346	171,443
Net book value					
At 31 March 2001	194,754	3,200	34,531	158,241	390,726
At 31 March 2000	159,961	2,250	12,362	150,294	324,867

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 March 2001	35,272
Depreciation charge for the year	
31 March 2001	2,073

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

7 Tangible fixed assets

	Investment properties £
Cost	
At 1 April 2000	64,975
Additions	74,265
Disposals	(139,240)
At 31 March 2001	-

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2000 & at 31 March 2001	2

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Crystal Rose Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Crystal Rose Limited	2	-

Crystal Rose Limited has not traded during the year and is a dormant company.

9 Stocks and work in progress

	2001 £	2000 £
Materials and consumables	33,882	-
Work in progress	1,310,248	-
Land for development	45,667	335,539
	1,389,797	335,539

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

10 Debtors	2001 £	2000 £
Trade debtors	765,286	1,137,733
Amounts recoverable on long term contracts	399,945	888,107
Other debtors	205,318	164,626
Prepayments and accrued income	39,277	48,475
	<u>1,409,826</u>	<u>2,238,941</u>

11 Creditors: amounts falling due within one year	2001 £	2000 £
Bank loans and overdrafts	37,755	13,492
Net obligations under hire purchase contracts	7,835	-
Trade creditors	1,827,787	2,004,690
Corporation tax	81,309	166,207
Other taxes and social security costs	70,879	49,700
Directors' current accounts	3,530	412
Other creditors	18,761	24,100
Accruals and deferred income	45,161	56,885
	<u>2,093,017</u>	<u>2,315,486</u>

The bank overdraft is secured by a charge over the company freehold property on bank standard form dated 6th June 2000.

12 Creditors: amounts falling due after more than one year	2001 £	2000 £
Net obligations under hire purchase contracts	<u>26,305</u>	<u>-</u>
In more than one year but not more than two years	7,835	-
In more than two years but not more than five years	26,305	-
Net obligations under hire purchase contracts		
Repayable within one year	7,835	-
Repayable between one and five years	26,305	-
	<u>34,140</u>	<u>-</u>
Included in liabilities falling due within one year	(7,835)	-
	<u>26,305</u>	<u>-</u>

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

13 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 April 2000	5,076
Profit and loss account	(5,076)
Balance at 31 March 2001	-

Deferred taxation provided in the financial statements is as follows:

	2001 £	Fully provided 2000 £
Accelerated capital allowances	-	5,076

14 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,292 (2000 - £8,521).

15 Share capital

	2001 £	2000 £
Authorised		
100 Ordinary Shares of £ 1 each	100	100
180,000 Preference shares of £ 1 each	180,000	180,000
	<u>180,100</u>	<u>180,100</u>
Allotted, called up and fully paid		
100 Ordinary Shares of £ 1 each	100	100
180,000 Preference shares of £ 1 each	180,000	180,000
	<u>180,100</u>	<u>180,100</u>

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.

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

16 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2000	6,182	829,040
Retained profit for the year	-	175,338
Transfer from revaluation reserve to profit and loss account	(6,182)	6,182
Balance at 31 March 2001	-	1,010,560

17 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	235,338	351,805
Dividends	(60,000)	(23,143)
Net addition to shareholders' funds	175,338	328,662
Opening shareholders' funds	1,015,322	686,660
Closing shareholders' funds	1,190,660	1,015,322

18 Financial commitments

At 31 March 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2001 £	2000 £	2001 £	2000 £
Expiry date:				
Between two and five years	12,000	12,000	8,313	-

19 Directors' emoluments

	2001 £	2000 £
Emoluments for qualifying services	250,083	161,573
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	100,347	100,000

F J CHALCROFT (CONSTRUCTION) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

20 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

	Amount outstanding		Maximum
	2001	2000	in year
	£	£	£
F J Chalcroft	179,588	-	179,588
J E Reeve	-	116,990	116,990

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001	2000
	Number	Number
Administration	13	8
Production	62	65
	75	73

Employment costs

	£	£
Wages and salaries	420,394	329,793
Social security costs	42,772	42,885
Other pension costs	9,292	8,521
	472,458	381,199

22 Post balance sheet events

Since the year end the company has undertaken a purchase of own shares, buying back its preference shares at par, £180,000.