

A.W. HARDY & CO. LIMITED
AND
SUBSIDIARY COMPANIES
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2000



A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH APRIL 2000

The directors present their report and the financial statements for the year ended 30th April 2000.

Principal Activities and Review of Business

The group's principal activities during the year were in the construction and civil contracting industries.

The directors of the group companies are pleased to report that the group has achieved an increase in turnover and continued to report a net profit for this financial year. The directors look forward to continued growth and profitable trading.

Results and Dividends

The results for the year are set out on page 3.

The directors do not recommend payment of a dividend.

It is proposed that the profit of £85,632 is transferred to reserves.

Fixed Assets

Details of movements in fixed assets are set out in notes 8 and 9 to the financial statements.

Directors and their Interests

The directors who served during the year and their interests in the company were as stated as below.

	Class of Share	Number of Shares	
		2000	1999
M.L. Hardy	Ordinary shares	87,445	87,445
J.P. Little	Ordinary shares	-	-
J.W. Palmby	Ordinary shares	1,955	1,955

Statement of 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 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 apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts,
- 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 at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Barrons be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 26th February 2001

Signed on behalf of the board of directors

M.L. Hardy
Director



A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

AUDITORS' REPORT TO THE SHAREHOLDERS OF

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

Report of the Auditors

We have audited the financial statements on pages 3 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 7 and 8.

Respective responsibilities of directors and auditors

As described on page 1 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 statements and to 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 judgement made by the directors in preparation of the financial statements, and 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 have also evaluated the overall adequacy of the presentation of 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 and group's affairs at 30th April 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BARRONS

Chartered Accountants

Registered Auditor

Monometer House

Rectory Grove

Leigh on Sea

Essex SS9 2HN

26th February 2001

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES**GROUP PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH APRIL 2000**

	Notes	2000 £	1999 £
Turnover	2		
- Continuing operations		7,453,030	6,150,131
- Discontinued operations		-	621,727
		<u>7,453,030</u>	<u>6,771,858</u>
Cost of sales		6,696,538	6,004,369
Gross profit		<u>756,492</u>	<u>767,489</u>
Administrative expenses		754,437	777,363
		<u>2,055</u>	<u>(9,874)</u>
Other operating income		104,154	58,362
Operating profit	3		
- Continuing operations		106,209	285,867
- Discontinued operations		-	(237,379)
		<u>106,209</u>	<u>48,488</u>
Other interest receivable and similar income	5	6,386	7,373
Interest payable and similar charges	6	17,273	21,399
Profit on ordinary activities before taxation		<u>95,322</u>	<u>34,462</u>
Taxation	7	9,690	(4,518)
Retained profit for the year	18	<u><u>£85,632</u></u>	<u><u>£38,980</u></u>

Total Recognised Gains and Losses

The group has no recognised gains or losses other than the profit or loss for the above two financial years.

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

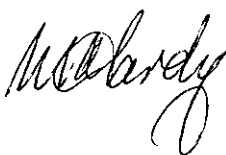
GROUP AND COMPANY BALANCE SHEET

AS AT 30TH APRIL 2000

	Notes	Group		Company	
		2000 £	1999 £	2000 £	1999 £
Fixed Assets					
Tangible Assets	8	498,230	569,453	166,702	162,325
Investment in subsidiary undertakings	9	-	-	12,210	12,210
		<u>498,230</u>	<u>569,453</u>	<u>178,912</u>	<u>174,535</u>
Current Assets					
Stocks	10	254,907	674,169	225,030	554,477
Debtors	11	1,551,088	1,319,374	1,704,758	1,567,141
Cash at Bank and in Hand		715,572	316,525	666,003	96,512
		<u>2,521,567</u>	<u>2,310,068</u>	<u>2,595,791</u>	<u>2,218,130</u>
Creditors : amounts falling due within one year	12	<u>1,035,348</u>	<u>1,227,312</u>	<u>829,223</u>	<u>788,379</u>
Net Current Assets		<u>1,486,219</u>	<u>1,082,756</u>	<u>1,766,568</u>	<u>1,429,751</u>
Total Assets Less Current Liabilities		<u>1,984,449</u>	<u>1,652,209</u>	<u>1,945,480</u>	<u>1,604,286</u>
Creditors : amounts falling due after one year	13	357,766	111,158	267,766	15,419
Provisions for liabilities and charges	14	11,922	11,922	-	-
Net assets		<u><u>£1,614,761</u></u>	<u><u>£1,529,129</u></u>	<u><u>£1,677,714</u></u>	<u><u>£1,588,867</u></u>
Capital and Reserves					
Called up share capital	15	158,539	158,539	158,539	158,539
Share premium account	16	25,617	25,617	25,617	25,617
Other reserves	17	5,220	5,220	3,000	3,000
Profit and loss account	18	1,425,385	1,339,753	1,490,558	1,401,711
Shareholders' funds - Equity	19	<u><u>£1,614,761</u></u>	<u><u>£1,529,129</u></u>	<u><u>£1,677,714</u></u>	<u><u>£1,588,867</u></u>

The financial statements were approved by the Board on 26th February 2001

M.L. Hardy
Director



A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES**GROUP CASHFLOW STATEMENT****FOR THE YEAR ENDED 30TH APRIL 2000**

	Notes	2000 £	1999 £
Cash flow from operating activities	1	348,429	458,547
Returns on investments and servicing of finance	2	(10,887)	(14,026)
Taxation		4,248	(11,614)
Capital expenditure and financial investment	2	(27,988)	(112,937)
Cash inflow before use of liquid resources and financing		313,802	319,970
Financing			
- Decrease in debt	2	(42,193)	(15,289)
Increase in cash for the year		<u>£271,609</u>	<u>£304,681</u>

Reconciliation of net cash flow to movement in net debt

Increase in cash in the year	271,609	304,681
Cash outflow from decrease in debt and lease financing	42,193	15,289
Movement in net debt in the period	313,802	319,970
Net debt as at 1st May 1999	(11,643)	(331,613)
Net debt as at 30th April 2000	<u>£302,159</u>	<u>(£11,643)</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE GROUP CASHFLOW STATEMENT

FOR THE YEAR ENDED 30TH APRIL 2000

1.	Reconciliation of operating profit/(loss) to net cash inflow from operating activities	2000 £	1999 £		
	Operating profit	106,209	48,488		
	Depreciation charges	121,690	141,861		
	Profit on sale of assets	(22,479)	(11,667)		
	(Increase)/Decrease in stocks and WIP	419,262	(17,509)		
	(Increase)/Decrease in debtors	(235,810)	621,164		
	(Decrease) in creditors	(40,443)	(323,790)		
	Net cash inflow from operating activities	<u>£348,429</u>	<u>£458,547</u>		
2.	Analysis for cash flow headings netted in the cash flow statement	2000 £	1999 £		
	Returns on investments and servicing of finance				
	Interest received	6,386	7,373		
	Interest paid	(10,567)	(10,088)		
	Interest element of finance lease payments	(6,706)	(11,311)		
	Net cash outflow for returns on investments and servicing of finance	<u>(£10,887)</u>	<u>(£14,026)</u>		
	Capital expenditure and financial investment				
	Purchase of tangible fixed assets	(119,788)	(173,235)		
	Sale of tangible fixed assets	91,800	60,298		
	Net cash outflow for capital expenditure and financial investment	<u>(£27,988)</u>	<u>(£112,937)</u>		
	Financing				
	Capital element of finance leases	(42,193)	(15,289)		
	Net cash outflow from financing	<u>(£42,193)</u>	<u>(£15,289)</u>		
3.	Analysis of net debt	At 1st May 1999 £	Cash flow £	Other non cash changes £	At 30th April 2000 £
	Cash at bank and in hand	316,525	399,047	-	715,572
	Overdrafts	(130,308)	122,551	-	(7,757)
			<u>521,598</u>		
	Debt due after 1 year	(90,000)	-	-	(90,000)
	Finance leases	(107,860)	42,193	-	(65,667)
			<u>42,193</u>		
		<u>(11,643)</u>	<u>563,791</u>	<u>-</u>	<u>552,148</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards and include the results of the group's operations as indicated in the directors' report.

1.2 Turnover and profits

Turnover represents amounts receivable for goods and services provided in the U.K. net of V.A.T., trade discounts and associated property selling costs and, in the case of long term contracts, the value of work that has achieved practical completion during the year.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets 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:-

Leasehold properties	- over the lease term
Plant and machinery	- over 5 to 10 years
Garage equipment	- over 5 to 10 years
Fixtures and fittings	- over 6 to 10 years
Plant and equipment	- over 3 to 4 years
Motor vehicles	- over 6 to 10 years

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated in accordance with the policy stated above. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payments 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 term of the lease.

1.5 Investments

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

1.6 Stocks and work in progress

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

1.7 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

1. Accounting Policies (cont.)

1.8 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with applicable accounting standards.

1.9 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

1.10 Basis of consolidation

The group financial statements incorporate the financial statements of A.W. Hardy & Co. Ltd and all its subsidiary undertakings for the year to 30th April 2000. No profit and loss account is presented for A.W. Hardy & Co. Ltd as provided by Section 230 Companies Act 1985.

2. Turnover

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the U.K. as follows:

	2000 £	1999 £
Construction and civil contracting	7,281,711	5,998,698
Plant and vehicle hire	161,840	636,862
Repairing plant and other vehicles	9,479	136,298
	<u>£7,453,030</u>	<u>£6,771,858</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

3. Operating Profit

2000	1999
£	£

(a) Operating profit is stated after charging:-

Auditors remuneration	23,990	18,750
Depreciation of tangible fixed assets	121,690	141,861
Hire of plant and machinery	156,278	461,766
Operating lease rentals		
Land and buildings	41,207	38,950

and after crediting:

Rents receivable	46,488	11,816
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(b) Directors' remuneration

Remuneration	£168,297	£161,179
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Retirement benefits were accruing to directors under schemes as follows:-

Money purchase schemes	3	3
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4. Staff Costs

2000	1999
£	£

Wages and salaries	1,508,328	1,847,421
Social security costs	129,912	152,891
Pension costs	50,254	64,230
	£1,688,494	£2,064,542

The average number of employees (including executive directors) during the year was as follows:-

Number	Number
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Office and management	18	16
Site workers	91	101
Fitters and drivers	-	10
	109	127

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

5. Interest Receivable

	2000 £	1999 £
Bank deposit interest	5,361	7,373
Other interest	1,025	-
	<u>£6,386</u>	<u>£7,373</u>

6. Interest Payable

	2000 £	1999 £
On bank loans and overdrafts and other loans :		
Repayable within five years, not by instalments	1,566	1,058
Repayable within five years, by instalments	6,706	11,311
Not wholly repayable in less than five years, by instalments	9,000	9,000
On overdue taxation	1	30
	<u>£17,273</u>	<u>£21,399</u>

7. Taxation

	2000 £	1999 £
The tax charge for the year is based on the taxable profit/(loss) for the year and comprises :		
U.K. Corporation tax at 20% (1999 - 20%/21%)	8,980	366
Overprovision in prior year	710	(3,677)
Transfer to deferred taxation	-	(1,207)
	<u>£9,690</u>	<u>(£4,518)</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

8. Tangible Fixed Assets - Group

	Land and Buildings £	Plant and Machinery £	Garage Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost						
At 1st May 1999	256,598	485,348	2,200	64,217	477,905	1,286,268
Additions	-	53,890	-	2,979	62,919	119,788
Disposals	-	(30,855)	-	-	(167,218)	(198,073)
At 30th April 2000	<u>256,598</u>	<u>508,383</u>	<u>2,200</u>	<u>67,196</u>	<u>373,606</u>	<u>1,207,983</u>
Depreciation						
At 1st May 1999	54,309	312,694	223	57,077	292,512	716,815
Charge for the Year	2,622	70,384	222	1,777	46,685	121,690
On Disposals	-	(23,114)	-	-	(105,638)	(128,752)
At 30th April 2000	<u>56,931</u>	<u>359,964</u>	<u>445</u>	<u>58,854</u>	<u>233,559</u>	<u>709,753</u>
Net Book Values						
At 30th April 2000	<u>£199,667</u>	<u>£148,419</u>	<u>£1,755</u>	<u>£8,342</u>	<u>£140,047</u>	<u>£498,230</u>
At 30th April 1999	<u>£202,289</u>	<u>£172,654</u>	<u>£1,977</u>	<u>£7,140</u>	<u>£185,393</u>	<u>£569,453</u>

	Group		Company	
The net book value of land and buildings comprises:	2000	1999	2000	1999
	£	£	£	£
Long leasehold property	<u>£199,667</u>	<u>£202,289</u>	<u>£41,801</u>	<u>£42,425</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

8. Tangible Fixed Assets - Group (cont.)

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

	Group		Company	
	Net book value	Dep'n charge	Net book value	Dep'n charge
	£	£	£	£
Plant and machinery	76,785	29,536	76,785	29,536
Motor vehicles	97,079	20,361	84,284	17,962
	<u>£173,864</u>	<u>£49,897</u>	<u>£161,069</u>	<u>£47,498</u>

Tangible Fixed Assets - Company

	Land and Buildings	Plant and Machinery	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1st May 1999	61,766	192,726	52,114	156,116	462,722
Additions		33,050	2,979	62,919	98,948
Disposals		(17,355)		(49,838)	(67,193)
At 30th April 2000	<u>61,766</u>	<u>208,421</u>	<u>55,093</u>	<u>169,197</u>	<u>494,477</u>
Depreciation					
At 1st May 1999	19,341	150,461	47,359	83,236	300,397
On disposals		(16,929)		(34,561)	(51,490)
Charge for the Year	624	46,710	1,403	30,131	78,868
At 30th April 2000	<u>19,965</u>	<u>180,242</u>	<u>48,762</u>	<u>78,806</u>	<u>327,775</u>
Net Book Values					
At 30th April 2000	<u>£41,801</u>	<u>£28,179</u>	<u>£6,331</u>	<u>£90,391</u>	<u>£166,702</u>
At 30th April 1999	<u>£42,425</u>	<u>£42,265</u>	<u>£4,755</u>	<u>£72,880</u>	<u>£162,325</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

9. Investments - Company

	2000 £	1999 £
Subsidiary undertakings	<u>£12,210</u>	<u>£12,210</u>
Investment in subsidiary undertakings		
Cost and net book value:	2000 £	1999 £
As at 1st May 1999		
and as at 30th April 2000	<u>£12,210</u>	<u>£12,210</u>

The following, all registered and incorporated in England, were subsidiaries at 30th April 2000

	Nature of business	Class of Equity	Percentage equity held	Capital & reserves	Profit/loss for year
H.D. Blackgate Limited	Property developers	Ordinary	100%	£5,974	£15,967
W. & H. (Roads) Limited	Road construction	Ordinary	100%	£143,509	(£1,346)
W. & H. (Plant Services) Limited	Plant hire and servicing	Ordinary	100%	(£200,224)	£12,164
Nyeami Limited	Dormant	Ordinary	100%	(£98)	-

The company continues to have a 50% shareholding in Iceinfo Limited, a company incorporated in the United Kingdom. The cost of this investment was £40 which has previously been written off. The financial statements of Iceinfo Limited have not been included in these financial statements on the grounds of immateriality. The company operates as a property rental company.

10. Stock

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Raw materials and consumables	19,758	19,998	19,130	19,119
Houses	-	-	-	-
Undeveloped land	-	8,000	-	-
Work-in-progress	-	10,800	-	-
Long term contracts:				
Net cost less foreseeable losses	784,140	1,532,144	663,701	1,381,631
Payments on account	(548,991)	(896,773)	(457,801)	(846,273)
	<u>£254,907</u>	<u>£674,169</u>	<u>£225,030</u>	<u>£554,477</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

11. Debtors

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Trade debtors	741,808	399,090	388,606	226,857
Amounts owed by group undertakings	-	-	597,345	525,022
Amounts owed by participating interests	24,407	24,407	24,407	24,407
Corporation tax	-	4,096	-	-
Other debtors	737,286	842,609	678,376	775,882
Prepayments and accrued income	47,587	49,172	16,024	14,973
	£1,551,088	£1,319,374	£1,704,758	£1,567,141

Amounts falling due after more than one year and included in the debtors above are:

	Group		Company	
	2000	1999	2000	1999
Other debtors	£580,504	£659,575	£529,563	£608,634

The directors of A.W. Hardy & Co Limited have given an undertaking to Hardy Developments Limited that the monies shown above will not be required to be repaid within a period of one year.

12. Creditors: Amounts falling due within one year

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Bank overdraft and other loans	7,757	130,308	-	-
Payments received on account	16,710	51,096	16,710	51,096
Net obligations under finance lease and hire purchase contracts	47,890	86,702	42,151	53,753
Trade creditors	813,906	804,415	670,337	611,148
Corporation Tax	9,842	-	3,105	366
Other taxes and social security costs	74,145	77,007	46,624	35,917
Other creditors	49,358	37,781	40,578	24,389
Accruals and deferred income	15,740	40,003	9,718	11,710
	£1,035,348	£1,227,312	£829,223	£788,379

The bank facilities of A.W. Hardy & Co. Limited are secured by a legal charge dated 31st October 1972 over the company's leasehold property, known as 13 Stock Road, Southend on Sea, Essex. There is also a composite accounting agreement between the company's subsidiaries, Hardy Developments (Suffolk) Limited and Hardy Developments Limited dated 28th September 1992.

The bank facilities of the subsidiary companies are secured by the above mentioned composite agreement together with charges over assets particular to each company.

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

13. Creditors: amounts falling due after one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Loans	90,000	90,000	-	-
Other Creditors	249,989	-	249,989	-
Net obligations under finance lease and hire purchase contracts	17,777	21,158	17,777	15,419
	<u>£357,766</u>	<u>£111,158</u>	<u>£267,766</u>	<u>£15,419</u>

Other Creditors

The other creditor represents the amount payable to Hardy Developments (Suffolk) Limited, a company under common control. The loan has no fixed repayment period and the directors of Hardy Developments (Suffolk) Limited have given an undertaking that the monies will not be required to be repaid within a period of one year.

Loans

Repayable on 31st August, 2004 at a fixed annual rate of interest of 11% p.a. The capital is to be repaid upon the maturity of an endowment policy which is included in other debtors as receivable in more than one year.

As at 1st May 1999 and 30th April 2000	90,000	90,000	-	-
Net obligations under finance lease and hire purchase contracts				
Repayable within one year	51,004	91,870	45,152	57,039
Repayable between one and five years	18,345	21,645	18,345	15,793
	<u>69,349</u>	<u>113,515</u>	<u>63,497</u>	<u>72,832</u>
Finance charges and interest allocated to future accounting periods	(3,682)	(5,655)	(3,569)	(3,660)
	<u>65,667</u>	<u>107,860</u>	<u>59,928</u>	<u>69,172</u>
Included in current liabilities	(42,151)	(86,702)	(42,151)	(53,753)
	<u>£23,516</u>	<u>£21,158</u>	<u>£17,777</u>	<u>£15,419</u>

14. Provision for Liabilities and Charges

	Fully Provided Group		Fully Provided Company	
	2000	1999	2000	1999
	£	£	£	£
Deferred taxation is provided at 20% (1999 21%) analysed over the following timing differences :				
Accelerated capital allowances	£11,922	£11,922	-	-

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

15. Share Capital

	Company	
	2000 £	1999 £
Authorised		
495,000 Ordinary shares of £1 each	495,000	495,000
5,000 6% Redeemable Preference shares of £1 each	5,000	5,000
	<u>£500,000</u>	<u>£500,000</u>
Allotted, called up and fully paid		
158,539 Ordinary shares of £1 each	<u>£158,539</u>	<u>£158,539</u>

16. Share Premium

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Balance at 1st May 1999 and at 30th April 2000	<u>£25,617</u>	<u>£25,617</u>	<u>£25,617</u>	<u>£25,617</u>

17. Other reserves

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Balance at 1st May 1999 and at 30th April 2000	<u>£5,220</u>	<u>£5,220</u>	<u>£3,000</u>	<u>£3,000</u>

18. Profit and Loss Account

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
At 1st May 1999	1,339,753	1,300,773	1,401,711	1,255,661
Retained profit for year	85,632	38,980	88,847	146,050
At 30th April 2000	<u>£1,425,385</u>	<u>£1,339,753</u>	<u>£1,490,558</u>	<u>£1,401,711</u>

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

19. Reconciliation of Movements on Shareholders Funds

	Group		Company	
	2000 £	1999 £	2000 £	1999 £
Profit for the financial year after taxation	85,632	38,980	88,847	146,050
Opening shareholders' funds at 1st May 1999	1,529,129	1,490,149	1,588,867	1,442,817
Closing shareholders' funds at 30th April 2000	<u>£1,614,761</u>	<u>£1,529,129</u>	<u>£1,677,714</u>	<u>£1,588,867</u>

20. Goodwill

The cumulative amount of goodwill written off in respect of earlier years' acquisitions amounted to £7,305.

21. Contingent Liabilities

Company

At 30th April 2000 the company had contingent liabilities of £257,757 (1999 £488,943) in connection with guarantees relating to bank borrowings of group and connected companies.

Group

At 30th April 2000 the group had contingent liabilities of £250,000 (1999 £358,635) in connection with guarantees relating to bank borrowings of connected companies.

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

22. Other Financial Commitments

At 30th April 2000, there were annual commitments under non-cancellable operating lease agreements as set out below :

Group	Land and Buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Operating leases which expire:				
In less than one year	-	-	-	-
Between two and five years	-	-	2,028	2,028
In over five years	28,200	28,200	-	-
	£28,200	£28,200	£2,028	£2,028

Company	Land and Buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Operating leases which expire:				
Between two and five years	-	-	2,028	2,028
In over five years	10,750	10,750	-	-
	£10,750	£10,750	£2,028	£2,028

23. Related Party Transactions - Group and Company

The related party transactions, as defined by FRS8, the nature of the relationships, the extent of the transactions between them and the balances outstanding at the balance sheet date are summarised below:-

Relationship:

1. Hardy Developments Limited
2. Hardy Developments (Suffolk) Limited

Both the above companies are controlled by Mr M.L. Hardy a director and controlling shareholder of A.W. Hardy & Co. Limited.

Transactions:

During the year A.W. Hardy & Co. Limited received management charges on normal trading terms from Hardy Developments Limited of £500 (1999: £500) and from Hardy Developments (Suffolk) Limited of £26,240 (1999: £17,750).

Also during the year A.W. Hardy & Co. Limited received £610,000 (1999: £320,255) on normal trading terms, this was in respect of contract work performed for Hardy Developments Limited.

Amounts Due To/From Related Parties:

At the year end Hardy Developments Limited owed the company £529,563 (1999: £3,768) as included in other debtors in note 11, also the company owed Hardy Developments (Suffolk) Limited £249,989 (1999: £608,634 Hardy Developments (Suffolk) Limited owed the company) as included in other creditors in note 13.

The ultimate controlling party of the company and the group for this and the preceding year is Mr. M.L. Hardy by virtue of majority shareholding.

A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2000

24. Pension costs

The company operates a money purchase pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The company contributes 15% of net earnings into the scheme.

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
The pension charge for the year was:	<u>£50,254</u>	<u>£64,230</u>	<u>£44,054</u>	<u>£45,647</u>