A.W. HARDY & CO. LIMITED

AND

SUBSIDIARY COMPANIES

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2001



Company No. 601521

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

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH APRIL 2001

The directors present their report and the financial statements for the year ended 30th April 2001.

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 continued to report a net profit for this financial year and has continued to secure major contract work for the forthcoming 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 £61,607 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.

		Number of Shares	
	Class of Share	**2001**	*2000*
M.L. Hardy	Ordinary shares	**98,530**	*87,445*
J.P. Little	Ordinary shares	-	-
	Non-voting odinary 'B'	**100**	-
D.M. Hardy	Ordinary shares	**1,955**	*1,955*
	Non-voting odinary 'B'	**100**	-

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.

Signed on behalf of the board of directors

M.L. Hardy 26/02/2002
Director

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

INDEPENDENT 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the financial statements. This information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 2001 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 2002

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

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 2001

	Notes	2001 £	*2000 £*
Turnover	2		
- Continuing operations		**4,509,018**	*7,453,030*
- Discontinued operations		**-**	*-*
		4,509,018	*7,453,030*
Cost of sales		**3,796,164**	*6,696,538*
Gross profit		**712,854**	*756,492*
Administrative expenses		**742,829**	*754,437*
		(29,975)	*2,055*
Other operating income		**91,389**	*104,154*
Operating profit	3		
- Continuing operations		**61,414**	*106,209*
- Discontinued operations		**-**	*-*
		61,414	*106,209*
Other interest receivable and similar income	5	**28,685**	*6,386*
Interest payable and similar charges	6	**16,887**	*17,273*
Profit on ordinary activities before taxation		**73,212**	*95,322*
Taxation	7	**11,605**	*9,690*
Retained profit for the year	18	**61,607**	*85,632*

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.

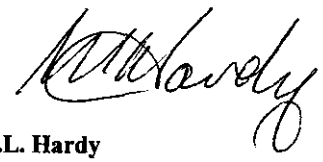
A.W. HARDY & CO. LIMITED AND SUBSIDIARY COMPANIES

GROUP AND COMPANY BALANCE SHEET

AS AT 30TH APRIL 2001

	Notes	Group		Company	
		2001	*2000*	**2001**	*2000*
		£	*£*	**£**	*£*
Fixed Assets					
Tangible Assets	8	**519,475**	*498,230*	**171,072**	*166,702*
Investment in subsidiary undertakings	9	**-**	*-*	**12,210**	*12,210*
		519,475	*498,230*	**183,282**	*178,912*
Current Assets					
Stocks	10	**337,209**	*254,907*	**239,755**	*225,030*
Debtors	11	**1,567,816**	*1,551,088*	**1,933,504**	*1,704,758*
Cash at Bank and in Hand		**1,150,798**	*715,572*	**1,015,766**	*666,003*
		3,055,823	*2,521,567*	**3,189,025**	*2,595,791*
Creditors : amounts falling due within one year	12	**1,652,045**	*1,035,348*	**1,457,994**	*829,223*
Net Current Assets		**1,403,778**	*1,486,219*	**1,731,031**	*1,766,568*
Total Assets Less Current Liabilities		**1,923,253**	*1,984,449*	**1,914,313**	*1,945,480*
Creditors : amounts falling due after one year	13	**282,985**	*357,766*	**192,985**	*267,766*
Provisions for liabilities and charges	14	**14,075**	*11,922*	**-**	*-*
Net assets		**1,626,193**	*1,614,761*	**1,721,328**	*1,677,714*
Capital and Reserves					
Called up share capital	15	**129,714**	*158,539*	**129,715**	*158,539*
Share premium account	16	**25,617**	*25,617*	**25,617**	*25,617*
Other reserves	17	**34,245**	*5,220*	**32,025**	*3,000*
Profit and loss account	18	**1,436,617**	*1,425,385*	**1,533,971**	*1,490,558*
Shareholders' funds - Equity	19	**1,626,193**	*1,614,761*	**1,721,328**	*1,677,714*

The financial statements were approved by the Board on 26th February 2002



M.L. Hardy
Director

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

GROUP CASHFLOW STATEMENT

FOR THE YEAR ENDED 30TH APRIL 2001

	Notes	2001 £	*2000* *£*
Cash flow from operating activities	1	**654,928**	*458,547*
Returns on investments and servicing of finance	2	**11,798**	*(10,887)*
Taxation		**(9,905)**	*4,248*
Capital expenditure and financial investment	2	**(150,733)**	*(27,988)*
Cash inflow before use of liquid resources and financing		**506,088**	*563,791*
Financing			
- Decrease in debt	2	**(69,343)**	*(42,193)*
Increase in cash for the year		**436,745**	*521,598*

Reconciliation of net cash flow to movement in net debt

Increase in cash in the year	**436,745**	*521,598*
Cash outflow from decrease in debt and lease financing	**19,168**	*42,193*
Movement in net debt in the period	**455,913**	*563,791*
Net debt as at 1st May 2000	**552,148**	*(11,643)*
Net debt as at 30th April 2001	**1,008,061**	*552,148*

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

NOTES TO THE GROUP CASHFLOW STATEMENT

FOR THE YEAR ENDED 30TH APRIL 2001

1. Reconciliation of operating profit/(loss) to net cash inflow from operating activities

	2001 £	*2000 £*
Operating profit	**61,414**	*106,209*
Depreciation charges	**141,285**	*121,690*
Profit on sale of assets	**(11,797)**	*(22,479)*
(Increase)/Decrease in stocks and WIP	**(82,302)**	*419,262*
Increase in debtors	**(16,728)**	*(235,810)*
Increase in creditors	**563,056**	*209,546*
Net cash inflow from operating activities	**654,928**	*598,418*

2. Analysis for cash flow headings netted in the cash flow statement

	2001 £	*2000 £*
Returns on investments and servicing of finance		
Interest received	**28,685**	*6,386*
Interest paid	**(13,703)**	*(10,567)*
Interest element of finance lease payments	**(3,184)**	*(6,706)*
Net cash outflow for returns on investments and servicing of finance	**11,798**	*(10,887.00)*
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(185,106)**	*(119,788)*
Sale of tangible fixed assets	**34,373**	*91,800*
Net cash outflow for capital expenditure and financial investment	**(150,733)**	*(27,988)*
Financing		
Issue of shares	**200**	-
Purchase of own shares	**(50,375)**	-
Capital element of finance leases	**(19,168)**	*(42,193)*
Net cash outflow from financing	**(69,343)**	*(42,193)*

3. Analysis of net debt

	At 1st May 2000 £	Cash flow £	Other non cash changes £	At 30th April 2001 £
Cash at bank and in hand	*715,572*	435,226	-	**1,150,798**
Overdrafts	*(7,757)*	1,519	-	**(6,238)**
		436,745		
Debt due after 1 year	*(90,000)*	-	-	**(90,000)**
Finance leases	*(65,667)*	19,168	-	**(46,499)**
		19,168		
	552,148	455,913	-	**1,008,061**

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 realiseable 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.

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 2001. 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:

	2001	*2000*
	£	*£*
Construction and civil contracting	**4,497,874**	*7,281,711*
Plant and vehicle hire	**11,144**	*161,840*
Repairing plant and other vehicles	**-**	*9,479*
	4,509,018	*7,453,030*

3. **Operating Profit**	**2001**	*2000*
	£	*£*
(a) Operating profit is stated after charging:-		
Auditors remuneration	**23,404**	*23,990*
Depreciation of tangible fixed assets	**141,285**	*121,690*
Hire of plant and machinery	**154,938**	*156,278*
Operating lease rentals		
Land and buildings	**67,741**	*41,207*
and after crediting:		
Rents receivable	**31,949**	*46,488*
(b) Directors' remuneration		
Remuneration	**184,483**	*168,297*
Retirement benefits were accruing to directors under schemes as follows:-		
Money purchase schemes	**3**	*3*

4. **Staff Costs**	**2001**	*2000*
	£	*£*
Wages and salaries	**1,339,707**	*1,508,328*
Social security costs	**119,219**	*129,912*
Pension costs	**58,050**	*50,254*
Other costs	**30,000**	-
	1,546,976	*1,688,494*
The average number of employees (including executive directors) during the year was as follows:-		
	Number	*Number*
Office and management	**16**	*18*
Site workers	**56**	*91*
	72	*109*

5. Interest Receivable	2001 £	*2000 £*
Bank deposit interest	**28,685**	*5,361*
Other interest	**-**	*1,025*
	28,685	*6,386*

6. Interest Payable	2001 £	*2000 £*
On bank loans and overdrafts and other loans :		
Repayable within five years, not by instalments	**4,703**	*1,566*
Repayable within five years, by instalments	**3,184**	*6,706*
Not wholly repayable in less than five years, by instalments	**9,000**	*9,000*
On overdue taxation	**-**	*1*
	16,887	*17,273*

7. Taxation	2001 £	*2000 £*
The tax charge for the year is based on the taxable profit/(loss) for the year and comprises :		
U.K. Corporation tax at 20% (2000 - 20%)	**9,413**	*8,980*
Deferred taxation charge	**2,153**	-
Overprovision in prior year	**39**	*710*
	11,605	*9,690*

8. Tangible Fixed Assets - Group

	Land and Buildings £	Plant and Machinery £	Garage Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost						
At 1st May 2000	256,598	508,383	2,200	67,196	373,606	1,207,983
Additions	-	138,564	-	17,617	28,925	185,106
Disposals	-	(90,291)	-	(7,544)	(20,295)	(118,130)
At 30th April 2001	256,598	556,656	2,200	77,269	382,236	1,274,959
Depreciation						
At 1st May 2000	56,931	359,964	445	58,854	233,559	709,753
Charge for the Year	2,622	97,705		13,289	27,669	141,285
On Disposals	-	(76,860)	-	(7,045)	(11,649)	(95,554)
At 30th April 2001	59,553	380,809	445	65,098	249,579	755,484
Net Book Values						
At 30th April 2001	197,045	175,847	1,755	12,171	132,657	519,475
At 30th April 2000	199,667	148,419	1,755	8,342	140,047	498,230

The net book value of land and buildings comprises:	Group		Company	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
Long leasehold property	**197,045**	*199,667*	**41,177**	*41,801*

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	28,166	38,473	28,166	38,473
Motor vehicles	41,701	13,900	36,303	12,101
	69,867	52,373	64,469	50,574

Tangible Fixed Assets - Company

	Land and Buildings £	Plant and Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost					
At 1st May 2000	61,766	208,421	55,093	169,196	494,476
Additions		60,253	17,617	28,925	106,795
Disposals		(57,447)	(7,544)	(20,295)	(85,286)
At 30th April 2001	61,766	211,227	65,166	177,826	515,985
Depreciation					
At 1st May 2000	19,965	180,242	48,763	78,806	327,776
On disposals		(55,647)	(7,045)	(11,649)	(74,341)
Charge for the Year	624	49,896	13,289	27,669	91,478
At 30th April 2001	20,589	174,491	55,007	94,826	344,913
Net Book Values					
At 30th April 2001	41,177	36,736	10,159	83,000	171,072
At 30th April 2000	41,801	28,179	6,330	90,390	166,700

9. Investments - Company

	2001	*2000*
	£	*£*
Subsidiary undertakings	**12,210**	*12,210*

Investment in subsidiary undertakings

Cost and net book value:	2001 £	*2000 £*
As at 1st May 2000 and as at 30th April 2001	**12,210**	*12,210*

The following, all registered and incorporated in England, were subsidiaries at 30th April 2001

	Nature of business	Class of Equity	Percentage equity held	Capital & reserves	Profit/loss for year
H.D. Blackgate Limited	Property developers	Ordinary	100%	£4,002	(£1,972)
W.&H. (Roads) Limited	Road construction	Ordinary	100%	£117,957	£4,449
W.&H. (Plant Services) Limited	Plant hire and servicing	Ordinary	100%	(£202,878)	(£2,654)
Nyearni 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	
	2001	*2000*	2001	*2000*
	£	*£*	£	*£*
Raw materials and consumables	**23,035**	19,758	**21,161**	*19,130*
Long term contracts:				
Net cost less foreseeable losses	**2,380,720**	*784,140*	**2,229,512**	*663,701*
Payments on account	**(2,066,546)**	*(548,991)*	**(2,010,918)**	*(457,801)*
	337,209	*254,907*	**239,755**	*225,030*

11. Debtors

	Group		Company	
	2001	*2000*	2001	*2000*
	£	*£*	£	*£*
Trade debtors	**656,952**	*741,808*	**577,588**	*388,606*
Amounts owed by group undertakings	**-**	*-*	**528,156**	*597,345*
Amounts owed by participating interests	**24,407**	*24,407*	**24,407**	*24,407*
Corporation tax	**-**	*-*		*-*
Other debtors	**851,748**	*737,286*	**788,890**	*678,376*
Prepayments and accrued income	**34,709**	*47,587*	**14,463**	*16,024*
	1,567,816	*1,551,088*	**1,933,504**	*1,704,758*

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

	Group		Company	
	2001	*2000*	2001	*2000*
	£	*£*	£	*£*
Other debtors	**571,874**	*580,504*	**515,753**	*529,563*

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	
	2001	*2000*	2001	*2000*
	£	*£*	£	*£*
Bank overdraft and other loans	**6,238**	*7,757*		*-*
Payments received on account	**375,695**	*16,710*	**375,695**	*16,710*
Net obligations under finance lease and hire purchase contracts	**46,499**	*47,890*	**46,499**	*42,151*
Trade creditors	**1,076,999**	*813,906*	**951,302**	*670,337*
Corporation Tax	**9,389**	*9,842*	**7,405**	*3,105*
Other taxes and social security costs	**79,323**	*74,145*	**36,590**	*46,624*
Other creditors	**37,032**	*49,358*	**25,150**	*40,578*
Accruals and deferred income	**20,870**	*15,740*	**15,353**	*9,718*
	1,652,045	*1,035,348*	**1,457,994**	*829,223*

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.

13. Creditors: amounts falling due after one year

	Group		Company	
	2001	*2000*	2001	*2000*
	£	*£*	£	*£*
Loans	**90,000**	*90,000*	**-**	*-*
Other Creditors	**192,985**	*249,989*	**192,985**	*249,989*
Net obligations under finance lease and hire purchase contracts	**-**	*17,777*	**-**	*17,777*
	282,985	*357,766*	**192,985**	*267,766*

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 2000 and 30th April 2001	**90,000**	*90,000*	**-**	*-*

Net obligations under finance lease and hire purchase contracts

Repayable within one year	**47,067**	**51,004**	**47,067**	**45,152**
Repayable between one and five years	**-**	**18,345**	**-**	**18,345**
	47,067	*69,349*	**47,067**	*63,497*
Finance charges and interest allocated to future accounting periods	**(568)**	**(3,682)**	**(568)**	**(3,569)**
	46,499	*65,667*	**46,499**	*59,928*
Included in current liabilities	**(46,499)**	**(47,890)**	**(46,499)**	**(42,151)**
	-	*17,777*	**-**	*17,777*

14. Provision for Liabilities and Charges

	Fully Provided Group		Fully Provided Company	
	2001	*2000*	2001	*2000*
Deferred taxation is provided at 20% (2000 20%) analysed over the following timing differences :	£	*£*	£	*£*
Accelerated capital allowances	**14,075**	*11,922*	**-**	*-*

15. Share Capital

	Company	
	2001	*2000*
	£	*£*
Authorised		
495,000 Ordinary shares of £1 each	**495,000**	*495,000*
1,000 Ordinary shares of £1 each	**1,000**	-
5,000 6% Redeemable Preference shares of £1 each	**5,000**	*5,000*
	501,000	*500,000*
Allotted, called up and fully paid		
129,514 Ordinary shares of £1 each	**129,514**	*158,539*
200 Ordinary shares of £1 each	**200**	-
	129,714	*158,539*

During the year the company increased its authorised share capital by £1,000, being 1,000 non-voting ordinary 'B' shares. 200 of these shares were issued at nominal value, fully paid for cash consideration.
During the year the company also repurchased 29,025 ordinary £1 shares for cash consideration of £50,375.

16. Share Premium

	Group		Company	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
Balance at 1st May 2000 and at 30th April 2001	**25,617**	*25,617*	**25,617**	*25,617*

17. Other reserves

	Group		Company	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
Balance at 1st May 2000 and at 30th April 2001	**32,025**	*5,220*	**32,025**	*5,220*

18. Profit and Loss Account

	Group		Company	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
At 1st May 2000	**1,425,385**	*1,339,753*	**1,490,558**	*1,401,711*
Retained profit for year	**61,607**	*85,632*	**93,788**	*88,847*
Repurchase of shares	**(50,375)**	-	**(50,375)**	-
At 30th April 2001	**1,436,617**	*1,425,385*	**1,533,971**	*1,490,558*

19. Reconciliation of Movements on Shareholders Funds

	Group		Company	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
Profit for the financial year after taxation	**61,607**	*85,632*	**93,788**	*88,847*
Issue of share capital	**200**	-	**200**	-
Purchase of own shares	**(50,375)**	-	**(50,375)**	-
	11,432	*85,632*	**43,613**	*88,847*
Opening shareholders' funds at 1st May 2000	**1,614,761**	*1,529,129*	**1,677,714**	*1,588,867*
Closing shareholders' funds at 30th April 2001	**1,626,193**	*1,614,761*	**1,721,327**	*1,677,714*

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 2001 the company had contingent liabilities of £186,589 (2000 £257,757) in connection with guarantees relating to bank borrowings of group and connected companies.

Group

At 30th April 2001 the group had contingent liabilities of £180,351 (2000 £250,000) in connection with guarantees relating to bank borrowings of connected companies.

22. Other Financial Commitments

At 30th April 20001, there were annual commitments under non-cancellable operating lease agreements as set out below :

Group	Land and Buildings		Other	
	2001	*2000*	**2001**	*2000*
Operating leases which expire:	**£**	*£*	**£**	*£*
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	
	2001	*2000*	**2001**	*2000*
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 (2000: £500) and from Hardy Developments (Suffolk) Limited of £26,240 (2000: £26,240).
Also during the year A.W. Hardy & Co. Limited received £ Nil (2000: £610,000) 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 £515,753 (2000: £529,563) as included in other debtors in note 11, also the company owed Hardy Developments (Suffolk) Limited £192,985.16 (2000: £249,989) 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.

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	
	2001	*2000*	**2001**	*2000*
	£	*£*	**£**	*£*
The pension charge for the year was:	**58,050**	*50,254*	**39,458**	*44,054*