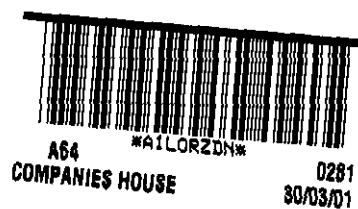


C. J. O'Shea Group Limited
Consolidated Financial Statements
for the year ended 31st March 2000



C. J. O'Shea Group Limited
Consolidated Financial Statements
for the year ended 31st March 2000

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C. J. O'Shea Group Limited

Company Information

Directors:

C.J. O'Shea, Esq.
A. O'Shea, Mrs.
J. M. O'Sullivan, Esq.
R. A. O'Connor, Esq.

Secretary:

R. A. O'Connor, Esq.

Registered Office:

Granard Business Centre
Bunns Lane
Mill Hill
London
NW7 2DZ

Company Number:

1128708 (England and Wales)

Auditors:

Riordan O'Sullivan & Co.
Chartered Certified Accountants
Registered Auditors
40 Chamberlayne Road
London
NW10 3JE

Bankers:

Allied Irish Bank (GB)
West End Branch
10 Berkeley Square
London
W1X 6DN

C. J. O'Shea Group Limited

Report of the directors

for the year ended 31st March 2000

The directors present their report together with the consolidated financial statements for the year ended 31st March 2000.

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 of the company and the group and of the profit or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The company's principal activity remains that of an investment and holding company.

The group's activities remain those of concrete frame and building contracting (C. J. O'Shea and Company Limited), plant hire to the construction industry (C. J. O'Shea (Plant Hire) Limited), property development, property maintenance and landscaping, and the hire, sale and repair of fork lift trucks.

Results and dividends

The group profit on ordinary activities, before taxation, for the year was £359,797 (1999: £448,060). After taxation and minority interests, an amount of £271,574 (1999: £313,057) has been transferred to reserves.

The directors do not recommend the payment of a dividend.

Review of the business

C. J. O'Shea & Company Limited has traded well against a background of strong competition within its sector of the construction industry. It is anticipated that as the economic climate improves this company will show steady growth.

C. J. O'Shea (Plant Hire) Limited has grown in a prudent and measured fashion.

Fixed assets

The movements in tangible fixed assets are set out in note 9 to these financial statements. The directors are of the opinion that the value of land and buildings included in the consolidated balance sheet at 31st March 2000 reflects their current open market values.

C. J. O'Shea Group Limited
Report of the directors (continued)
for the year ended 31st March 2000

Directors and their interests

The directors during the year and at the balance sheet date, and their interests in shares are set out below:

<u>Directors</u>	<u>Interest in £1 ordinary shares at 1st April 1999 and 31st March 2000</u>
C.J. O'Shea, Esq.	100,000
A. O'Shea, Mrs.	100,000
J. M. O'Sullivan, Esq.	-
R. A. O'Connor, Esq.	-

J.M. O'Sullivan, Esq. and R.A. O'Connor, Esq., retire by rotation and being eligible offer themselves for re-election.

Charitable donations

The group made charitable donations of £5,845 (1999: £2,800) during the year.

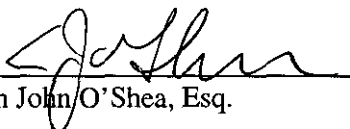
Close company status

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Auditors

In accordance with Section 385 of the Companies Act 1985 a resolution proposing the re-appointment of Messrs. Riordan O'Sullivan & Co. as auditors to the company will be put to the members at the annual general meeting.

This report was approved by the board on 23rd March 2001 and signed on its behalf by:

 Chairman
Crohan John O'Shea, Esq.

Auditors' Report to the Shareholders of C. J. O'Shea Group Limited

We have audited the financial statements on pages 5 to 23 which have been prepared under the historical cost convention as modified by the revaluation of freehold and investment properties and on the basis of the accounting policies set out on pages 10 to 12.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and of the group as at 31st March 2000 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Riordan O'Sullivan & Co.

Riordan O'Sullivan & Co.
Chartered Certified Accountants
Registered Auditors
40 Chamberlayne Road
London
NW10 3JE

23rd March 2001

C. J. O'Shea Group Limited
Consolidated Profit and Loss Account
for the year ended 31st March 2000

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
Turnover	2	19,534,495	11,959,492
Cost of sales		(17,390,847)	(9,971,781)
Gross profit		2,143,648	1,987,711
Administrative expenses		(1,718,890)	(1,477,673)
Operating profit		424,758	510,038
Profit on sale of investments		24,570	90,376
Amounts written off investments		-	(51,478)
Interest receivable and similar income	3	13,429	31,057
Interest payable	4	(167,233)	(135,453)
		295,524	444,540
Share of results of associated undertaking		64,273	3,520
Profit on ordinary activities before taxation		359,797	448,060
Taxation on profit on ordinary activities	5	(74,879)	(135,430)
Profit on ordinary activities after taxation (of which a profit of £29,896 (1999: £32,600) is dealt with in the accounts of the holding company)		284,918	312,630
Minority interests		(13,344)	427
Retained profit for the year	6	<u>271,574</u>	<u>313,057</u>

All of the above results derived from continuing operations.

The notes on pages 10 to 23 form part of these financial statements.

C. J. O'Shea Group Limited

Consolidated statement of total recognised gains and losses

for the year ended 31st March 2000

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Profit for the financial year	271,574	313,057
Unrealised surplus on revaluation	-	16,942
Foreign currency translation adjustments	(36,721)	71,221
Total recognised gains and losses for the year	<u>234,853</u>	<u>401,220</u>

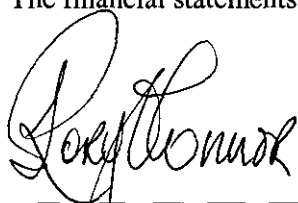
The notes on pages 10 to 23 form part of these financial statements.

C. J. O'Shea Group Limited

Consolidated Balance Sheet at 31st March 2000

	<u>Notes</u>	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Fixed assets			
Tangible assets	9a	4,950,574	4,941,728
Investments	10a	177,721	113,448
		<u>5,128,295</u>	<u>5,055,176</u>
Current assets			
Stocks	11	433,942	164,948
Debtors	12	3,334,385	1,893,994
Investments	13	151,547	146,043
Cash at bank and in hand		1,051,832	668,399
		<u>4,971,706</u>	<u>2,873,384</u>
Creditors:			
Amounts falling due within one year	14	(4,495,008)	(3,258,597)
Net current assets/(liabilities)		<u>476,698</u>	<u>(385,213)</u>
Total assets less current liabilities		<u>5,604,993</u>	<u>4,669,963</u>
Creditors:			
Amounts falling due after more than one year	15	(1,458,747)	(565,804)
Provisions for liabilities and charges	17	(37,455)	(243,565)
Equity minority interests	19	(155,059)	(141,715)
Net assets		<u><u>3,953,732</u></u>	<u><u>3,718,879</u></u>
Capital and reserves			
Equity share capital	18	200,000	200,000
Equity reserves:			
- Revaluation reserve	7a	1,616,278	1,616,278
- Profit and loss account	7a	2,137,454	1,902,601
Shareholders' funds	20	<u><u>3,953,732</u></u>	<u><u>3,718,879</u></u>

The financial statements were approved by the Board on 23rd March 2001 and signed on its behalf by:



Rory O'Connor, Esq.

Director

The notes on pages 10 to 23 form part of these financial statements.

C. J. O'Shea Group Limited

Balance Sheet at 31st March 2000

	Notes	<u>2000</u> £	<u>1999</u> £
Fixed assets			
Tangible assets	9b	2,392,301	2,392,301
Investments	10b	100,460	100,460
		<u>2,492,761</u>	<u>2,492,761</u>
Current assets			
Debtors	12	376,244	1,168,899
Cash at bank and in hand		1,177	1,296
		<u>377,421</u>	<u>1,170,195</u>
Creditors:			
Amounts falling due within one year	14	(800,437)	(1,623,107)
Net current liabilities		<u>(423,016)</u>	<u>(452,912)</u>
Net assets		<u>2,069,745</u>	<u>2,039,849</u>
Capital and reserves			
Equity share capital	18	200,000	200,000
Equity reserves:			
- Revaluation reserve	7b	1,575,422	1,575,422
- Profit and loss account	7b	294,323	264,427
Shareholders' funds	20	<u>2,069,745</u>	<u>2,039,849</u>

The financial statements were approved by the Board on 23rd March 2000 and signed on its behalf by:


 _____ Director
 Rory O'Connor, Esq.

The notes on pages 10 to 23 form part of these financial statements.

C. J. O'Shea Group Limited
Consolidated Cash Flow Statement
for the year ended 31st March 2000

	Notes	<u>2000</u> £	1999 £
Reconciliation of operating profit to net cash outflow from operating activities			
Operating profit		424,758	510,038
Depreciation		396,453	371,087
Profit on disposal of tangible fixed assets		(20,457)	-
Decrease in provision for liabilities and charges		(202,185)	(2,502)
Write-back of provision on consolidation		(36,721)	72,767
(Increase) / decrease in stocks		(268,994)	253,181
Increase in debtors		(1,543,599)	(156,257)
Increase / (decrease) in creditors		907,820	(274,093)
Net cash (outflow) / inflow from operating activities		(342,925)	774,221
CASH FLOW STATEMENT			
Net cash (outflow) / inflow from operating activities		(342,925)	774,221
Returns on investments and servicing of finance	21	(153,804)	(104,396)
Taxation	21	(128,282)	(112,448)
Capital expenditure	21	(104,533)	(526,542)
		(729,544)	30,835
Management of liquid resources	21	19,065	(3,867)
Financing	21	496,542	17,054
(Decrease)/increase in cash in the year		(213,937)	44,472
Reconciliation of net cash flow to movement in net debt (Note 22)			
(Decrease)/increase in cash in the year		(213,937)	44,472
Repayment of amounts borrowed		122,798	94,592
Capital element of hire purchase payments		378,425	247,973
New hire purchase agreements		(280,307)	(223,156)
New loans		(997,765)	(360,069)
Cash inflow from decrease/(increase) in liquid resources		5,504	(26,217)
Change in net debt resulting from cash flows		(985,282)	(222,405)
Net debt at 1st April 1999		(1,265,658)	(1,043,253)
Net debt at 31st March 2000		<u>(2,250,940)</u>	<u>(1,265,658)</u>

The notes on pages 10 to 23 form part of these financial statements.

C. J. O'Shea Group Limited
Notes to the consolidated financial statements
for the year ended 31st March 2000

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards.

Accounting convention:

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of freehold and investment properties. The financial statements have been prepared on a going concern basis.

Basis of preparation of consolidated financial statements:

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31st March 2000 and with the group's share of the results of its associated undertaking.

In accordance with Section 228(7) of the Companies Act 1985 advantage has been taken of the exemption from the requirement to prepare a separate profit and loss account for the holding company.

Tangible fixed assets and depreciation:

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Freehold buildings	- over 50 years
Plant and equipment	- over 4 to 7 years

Investment properties:

Investment properties are stated at their open market values. In accordance with Statement of Standard Accounting Practice Number 19 investment properties are not depreciated. The directors consider that this accounting policy, which represents a departure from the statutory accounting principles, is necessary to provide a true and fair view. Depreciation is only one of many factors reflected in the annual revaluation and the amount that might otherwise have been shown cannot be separately identified or quantified.

Investments:

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

Current asset investments are also stated at cost less provision for any permanent diminution in value. For listed investments, market value is based on the closing middle market price on a recognised stock exchange.

Inter-company balances:

Inter-company balances between subsidiary undertakings are assigned to the ultimate parent company at the financial year end.

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

1. Accounting policies (continued)

Stocks:

Stocks are stated at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving stocks, as follows:

Raw materials	-	Purchase price on a first-in, first-out basis
Contract work-in-progress	-	Cost of direct materials, labour and attributable overheads.
		Provision is made for any losses expected to arise on completion of such contracts.

Retentions:

Retentions on contract work carried out are included in the financial statements on a receipt basis, or where identified as being received subsequent to the balance sheet date.

Leasing and hire purchase:

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

Operating leases:

Costs incurred in respect of operating leases are charged in arriving at the operating profit for the year.

Deferred taxation:

Deferred taxation is provided using the liability method, only to the extent that there is a reasonable probability that it will become payable in the foreseeable future.

Pension commitments:

The group operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Foreign currencies:

Assets and liabilities of the foreign subsidiary are translated into sterling at rates of exchange ruling at the end of the financial year and its results are translated at the average rate of exchange for the year.

Differences on exchange arising on re-translation are taken to reserves and are reported in the statement of total recognised gains and losses. All other foreign exchange differences are taken to the profit and loss account in the year in which they arise.

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

1. Accounting policies (continued)

Turnover:

Turnover comprises the value of contracting work carried out during the year plus the invoiced value of plant hire, plant sales, property maintenance and landscaping work and income from properties let, exclusive of value added tax. It excludes inter company sales.

Profit on ordinary activities for the year:

The profit for the year includes the results of the year's operations together with residual profits or losses in respect of work done in prior years. Profits on contracts are stated after provisions for known losses. No credit is taken for claims until settlement is achieved.

2. Turnover

Turnover represents measured value of contract work done, receipts from sales of development land and completed units, plant sales and hire services, exclusive of value added tax and they were all derived from UK operations.

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
3. Interest receivable and similar income		
Group - bank deposit interest	12,674	31,057
- income from current asset investments	755	-
	<u>13,429</u>	<u>31,057</u>
4. Interest payable	<u>£</u>	<u>£</u>
Interest on bank loans and overdrafts		
repayable within five years	130,640	119,523
Interest on late payment of tax	147	-
Interest on finance lease and hire		
purchase obligations	36,446	15,930
	<u>167,233</u>	<u>135,453</u>
5. Taxation	<u>£</u>	<u>£</u>
Taxation based on the group's ordinary activities for the year:		
UK Corporation tax at current rates (1999: 31%)	78,167	139,669
Transfer from deferred taxation	(4,624)	(4,232)
Under/(over) provision in prior year	1,336	(7)
	<u>74,879</u>	<u>135,430</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

	<u>2000</u>	<u>1999</u>
6 Retained profit attributable to members of the holding company	<u>£</u>	<u>£</u>
Profit dealt with in the accounts of the holding company	29,896	32,600
Profit incurred by subsidiary undertakings	177,405	276,937
Profit of associated undertaking	64,273	3,520
	<u>271,574</u>	<u>313,057</u>
7. Reserves	Revaluation reserve	Profit and loss account
a) Group	<u>£</u>	<u>£</u>
At 1st April 1999	1,616,278	1,902,601
Profit for the year	-	271,574
Foreign currency translation adjustment	-	(36,721)
At 31st March 2000	<u>1,616,278</u>	<u>2,137,454</u>
b) Company	<u>£</u>	<u>£</u>
At 1st April 1999	1,575,422	264,427
Profit for the year	-	29,896
At 31st March 2000	<u>1,575,422</u>	<u>294,323</u>
8. Additional information to the profit and loss account	<u>2000</u>	<u>1999</u>
a) Expenses:	<u>£</u>	<u>£</u>
Depreciation - owned assets	<u>255,609</u>	<u>221,318</u>
- assets on hire purchase contracts	<u>140,843</u>	<u>149,769</u>
Auditors' remuneration - audit	<u>27,500</u>	<u>25,000</u>
- other services	<u>17,005</u>	<u>9,000</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

8. Additional information to the profit and loss account (continued)

b) Particulars of employees:

(i) The average number of employees during the year was:	<u>No.</u>	<u>No.</u>
Directors of companies in the group	6	6
Direct labour	74	68
Administrative and technical	53	43
	<u>133</u>	<u>117</u>
	<u>2000</u>	<u>1999</u>
(ii) Aggregate costs:	<u>£</u>	<u>£</u>
Wages and salaries (including directors)	3,901,761	2,777,437
Social security costs	365,583	284,688
Pension contributions	65,323	48,201
	<u>4,332,667</u>	<u>3,110,326</u>
	<u>£</u>	<u>£</u>
(iii) Directors' remuneration:	<u>£</u>	<u>£</u>
For services as directors	235,316	223,968
Pension contributions	11,967	11,322
	<u>247,283</u>	<u>235,290</u>
Highest paid director - remuneration	<u>85,000</u>	<u>73,500</u>
- pension contributions	<u>4,669</u>	<u>3,996</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

9. Tangible fixed assets

The movement in tangible fixed assets are set out below:

a) Group

	<u>Freehold properties</u> £	<u>Investment properties</u> £	<u>Plant and equipment</u> £	<u>Total</u> £
Cost or valuation				
At 1st April 1999	3,029,140	511,018	8,345,582	11,885,740
Additions	-	-	429,068	429,068
Currency translation	-	(8,329)	-	(8,329)
Disposals	-	-	(97,640)	(97,640)
At 31st March 2000	3,029,140	502,689	8,677,010	12,208,839
Depreciation provision				
At 1st April 1999	172,414	1,696	6,769,902	6,944,012
Charge for the year	16,397	1,154	378,902	396,453
Adjustment for disposals	-	-	(81,047)	(81,047)
Currency translation	-	(1,153)	-	(1,153)
At 31st March 2000	188,811	1,697	7,067,757	7,258,265
Net book value				
At 31st March 2000	<u>2,840,329</u>	<u>500,992</u>	<u>1,609,253</u>	<u>4,950,574</u>
At 31st March 1999	<u>2,856,726</u>	<u>509,322</u>	<u>1,575,680</u>	<u>4,941,728</u>
Analysis of cost or valuation at 31st March 2000:	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost	447,300	57,689	8,677,010	9,181,999
Revaluations - 1988	2,466,840	445,000	-	2,911,840
- 1999	115,000	-	-	115,000
	<u>3,029,140</u>	<u>502,689</u>	<u>8,677,010</u>	<u>12,208,839</u>

The net book value of plant and equipment includes an amount of £ 762,700 (1999: £1,064,572) in respect of assets held under hire purchase contracts.

The directors have reviewed the valuations of all freehold and investment properties at the year end. In their opinion existing valuations continue to reflect current open market valuations.

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

9. Tangible fixed assets (continued)

(a) Group (continued)

If investment and freehold properties had not been revalued they would have been included at the following amounts:

	<u>Investment properties</u>		<u>Freehold properties</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost	<u>184,298</u>	<u>184,298</u>	<u>1,252,982</u>	<u>1,252,982</u>
Aggregate depreciation based on cost	<u>40,284</u>	<u>37,486</u>	<u>173,656</u>	<u>159,243</u>

b) Company

	<u>Freehold properties</u>	<u>Plant and equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost or valuation			
At 1st April 1999	2,392,300	5,755	2,398,005
Additions	-	-	-
At 31st March 2000	<u>2,392,300</u>	<u>5,755</u>	<u>2,398,005</u>
Depreciation provision			
At 1st April 1999 and 31st March 2000	<u>-</u>	<u>5,754</u>	<u>5,754</u>
Net book value			
At 31st March 2000	<u>2,392,300</u>	<u>1</u>	<u>2,392,301</u>
At 31st March 1999	<u>2,392,300</u>	<u>1</u>	<u>2,392,301</u>

Freehold properties are shown at valuation and include investment properties of £445,000 (1999: £445,000)

The directors have reviewed the valuations of all investment and freehold properties and in their opinion the current open market valuations are not materially different from the book values.

If investment and freehold properties had not been revalued they would have been included at the following amounts:

	<u>Investment properties</u>		<u>Freehold properties</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost	<u>184,298</u>	<u>184,298</u>	<u>1,208,972</u>	<u>1,208,972</u>
Aggregate depreciation based on cost	<u>40,284</u>	<u>37,486</u>	<u>166,500</u>	<u>152,500</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

for the year ended 31st March 2000

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
10. Fixed asset investments		
a) Group		
Investment in associated undertaking		
Balance brought forward	113,448	109,928
Share of current year's trading profit	64,273	3,520
	<u>177,721</u>	<u>113,448</u>
Balance carried forward	<u>177,721</u>	<u>113,448</u>
b) Company		
Investment in group undertakings	<u>£</u>	<u>£</u>
Balance brought forward	100,426	100,426
Investment in associated undertaking	34	34
	<u>100,460</u>	<u>100,460</u>
Balance carried forward	<u>100,460</u>	<u>100,460</u>
11. Stocks	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Stocks of spares and parts	68,242	130,412
Contract work-in-progress	365,700	34,536
	<u>433,942</u>	<u>164,948</u>
	<u>433,942</u>	<u>164,948</u>
12. Debtors	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Trade debtors	1,747,752	1,253,537
Amounts owed by group undertakings	-	-
Amounts owed by related undertakings	375,432	478,640
Other debtors	226,899	52,833
Amount owed by joint venture	850,000	-
Prepayments and accrued income	134,302	108,984
	<u>3,334,385</u>	<u>1,893,994</u>
	<u>3,334,385</u>	<u>1,893,994</u>

C. J. O'Shea Group Limited

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13. Current assets investments

	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Quoted investments (market value £116,325 (1999: £64,324))	140,538	135,034	-	-
Unquoted investments	11,009	11,009	-	-
	<u>151,547</u>	<u>146,043</u>	<u>-</u>	<u>-</u>

14. Creditors:	<u>Group</u>		<u>Company</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Amounts falling due within one year				
Bank loans and overdrafts (secured)	1,596,957	970,093	340,612	360,069
Other loan	160,000	160,000	-	-
Trade creditors	2,149,297	1,426,096	-	-
Hire purchase contracts	238,616	384,203	-	-
Amounts owed to group undertakings	-	-	449,066	1,252,353
Corporation tax	80,270	129,748	7,497	8,779
Other taxes and social security costs	192,307	102,884	-	-
Other creditors	8,349	32,293	-	-
Accruals and deferred income	69,212	53,280	3,262	1,906
	<u>4,495,008</u>	<u>3,258,597</u>	<u>800,437</u>	<u>1,623,107</u>

The bank loans and overdrafts are repayable on demand and are secured by:

- (i) Debenture on the assets of group undertakings.
- (ii) First legal charges on the group's freehold and investment properties.
- (iii) Letter of guarantee of £1,725,000 from the company.

- (a) Bank loans outstanding at the year end amounted to £1,514,138 (1999: £786,936) and this is payable in annual instalments, plus interest as follows:-

	<u>£</u>	<u>£</u>
Within one year	<u>122,797</u>	<u>74,541</u>
Within two to five years	<u>1,148,009</u>	<u>298,164</u>
After more than five years	<u>243,332</u>	<u>414,231</u>

- (b) Other loans

The C. J. O'Shea Retirement Fund loan of £160,000 is unsecured and repayable on demand.

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

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15. Creditors:	<u>2000</u>	<u>Group</u> 1999	<u>2000</u>	<u>Company</u> 1999
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Amounts falling due after more than one year				
Bank loans (secured)	1,070,004	372,295	-	-
Hire purchase contracts	240,978	193,509	-	-
Other loan	147,765	-	-	-
	<u>1,458,747</u>	<u>565,804</u>	<u>-</u>	<u>-</u>

16. Obligations under hire purchase contracts	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
The maturity of these amounts is as follows:		
Amounts payable:		
Within one year	245,227	409,785
After more than one year	240,977	204,382
	<u>486,204</u>	<u>614,167</u>
Less: Finance charges allocated to future periods	(6,610)	(36,455)
	<u>479,594</u>	<u>577,712</u>
Hire purchase contracts are analysed as follows:		
Current obligations	238,616	384,203
Non-current obligations	240,978	193,509
	<u>479,594</u>	<u>577,712</u>

17. Provisions for liabilities and charges	<u>Group</u>	<u>Company</u>
	<u>£</u>	<u>£</u>
Deferred taxation (a)	37,455	42,079
Losses on contracts	-	201,486
	<u>37,455</u>	<u>243,565</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

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17. Provisions for liabilities and charges (continued)

(a) Deferred taxation

The provision for deferred taxation is in respect of material timing differences arising from accelerated capital allowances.

The movements on the provision are as follows:

	<u>2000</u> £	<u>Group</u> <u>1999</u> £
Balance at 1st April 1999	42,079	46,311
Movement during the year	(4,624)	(4,232)
Balance at 31st March 2000	<u>37,455</u>	<u>42,079</u>

(b) The potential liability for deferred taxation not provided for was as follows:

	£
Accelerated capital allowances:	
Balance at 1st April 1999	53,371
Increase in the year	37,897
Balance at 31st March 2000	<u>91,268</u>

(c) Provision has not been made in these financial statements for the full potential deferred tax liability on the sale of any of the revalued freehold properties, as in the opinion of the directors, there is a reasonable probability that such liability would not crystallise in the foreseeable future.

	<u>2000</u> £	<u>1999</u> £
18. Called up share capital		
Authorised: Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted and issued: Ordinary shares of £1 each, fully paid	<u>200,000</u>	<u>200,000</u>

19. Amounts attributable to minority interests

Interest in the called up share capital of:

Salenhire Fork Trucks Limited	49	49
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Interest in the reserves of:

Salenhire Fork Trucks Limited	155,010	141,666
	<u>155,059</u>	<u>141,715</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

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	<u>2000</u> £	<u>1999</u> £
20. Movement on shareholders' funds		
(a) <u>Group</u>		
Total recognised gains and losses	234,853	401,220
Other movements:		
Write back of provision on consolidation	-	54,576
Total movements during the year	234,853	455,796
Opening shareholders' funds	3,718,879	3,263,083
Closing shareholders' funds	<u>3,953,732</u>	<u>3,718,879</u>
(b) <u>Company</u>		
Profit for the financial year	29,896	32,600
Opening shareholders' funds	2,039,849	2,007,249
Closing shareholders' funds	<u>2,069,745</u>	<u>2,039,849</u>
21. Gross Cash Flows	<u>£</u>	<u>£</u>
Returns on investments and servicing of finance		
Interest received	13,429	31,057
Interest paid	(167,233)	(135,453)
	<u>(153,804)</u>	<u>(104,396)</u>
Taxation		
Corporation tax paid	(128,282)	(112,448)
Capital expenditure		
Payments to acquire tangible assets	(148,761)	(193,767)
Payment to acquire freehold property	-	(587,300)
Receipts from sale of freehold property	-	175,000
Receipts from sales of tangible assets	44,228	79,525
	<u>(104,533)</u>	<u>(526,542)</u>
Management of Liquid Resources		
Receipts from sales of short term investments	90,200	41,514
Payments to acquire short term investments	(71,135)	(45,381)
	<u>19,065</u>	<u>(3,867)</u>
Financing		
New long term bank loan	997,765	360,069
Repayment of short term bank loan	(122,798)	(94,592)
Capital element of hire purchase payments	(378,425)	(247,973)
	<u>496,542</u>	<u>17,054</u>

C. J. O'Shea Group Limited

Notes to the consolidated financial statements

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22. Analysis of changes in net debt

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	668,399	383,434	-	1,051,833
Bank overdrafts	(555,452)	(597,371)	-	(1,152,823)
	112,947	(213,937)	-	(100,990)
Debt due within one year	(574,641)	(29,493)	-	(604,134)
Debt due after one year	(372,295)	(845,474)	-	(1,217,769)
Finance leases	(577,712)	378,425	(280,307)	(479,594)
Current asset investments	146,043	5,504	-	151,547
Net debt	(1,265,658)	(704,975)	(280,307)	(2,250,940)

23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £65,323 (1999: £48,201). At the balance sheet date, contributions of £Nil (1999: £Nil) were due to the fund.

24. Indebtedness, guarantees and other financial commitments

(a) Contingent liabilities:

The company has given unlimited guarantees in favour of certain group and associated undertakings.

(b) Capital commitments:

There were no capital commitments either authorised or contracted for at the balance sheet date.

25. Directors' interests

C.J. O'Shea, Esq., and Mrs. A. O'Shea have an interest in transactions between C. J. O'Shea Group Limited and its subsidiary undertakings which are listed in note 26, arising from their shareholdings in the parent company.

26. Investment in subsidiary and associated undertakings

The company's investment in subsidiary and associated undertakings are set out below:

	Shareholding	Nature of business
<u>Incorporated in the United Kingdom</u>		
C. J. O'Shea and Company Limited	100%	Building contractors
C.J. O'Shea (Plant Hire) Limited	100%	Plant hire and sale
Salenhire Fork Trucks Limited	51%	Hire and sale of fork lift trucks
Tramore Properties Limited	34%	Property investment
Kerslake Associates Limited	75%	Dormant
<u>Incorporated in the Republic of Ireland</u>		
Redgrave Limited	100%	Property development

C. J. O'Shea Group Limited

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27. Post balance sheet events

There were no events since the year end which materially affect the group, or the parent company.

28. Ultimate controllers

The directors, Messrs. C. J. O'Shea and Mrs. A. O'Shea, who control 100% of the shares of C. J. O'Shea Group Limited are the company's ultimate controllers.

29. Related parties	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
At the balance sheet date:		
- the following amounts were due by group undertakings		
Redgrave Limited, a 100% subsidiary incorporated in the Republic of Ireland	<u>-</u>	<u>689,749</u>
C.J. O'Shea (Formwork) Limited, a 100% subsidiary	<u>140</u>	<u>140</u>
- the following amount was due by a related undertaking		
Tramore Properties Limited	<u>375,432</u>	<u>478,640</u>
- the following amounts were due to group undertakings		
C.J. O'Shea and Company Limited, a 100% subsidiary	<u>321,361</u>	<u>969,824</u>
C.J. O'Shea (Plant Hire) Limited, a 100% subsidiary	<u>127,505</u>	<u>282,529</u>
During the year, C.J. O'Shea Group Limited, charged rent to:		
- C.J. O'Shea and Company Limited	<u>30,000</u>	<u>55,000</u>
- C.J. O'Shea (Plant Hire) Limited	<u>12,000</u>	<u>12,000</u>