

C. J. O'Shea Group Limited
Consolidated Financial Statements
for the year ended 31st March 2002



C. J. O'Shea Group Limited

Company Information

Directors	C. J. O'Shea, Esq. A. O'Shea, Mrs. J. M. O'Sullivan, Esq. (resigned on 11th October 2002) R. A. O'Connor, Esq.
Secretary	R. A. O'Connor, Esq.
Company Number	1128708 (England and Wales)
Registered Office	Granard Business Centre Burns Lane Mill Hill London NW7 2DZ
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

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C. J. O'Shea Group Limited

Directors' Report

for the year ended 31st March 2002

The directors present their report and the financial statements of the Group for the year ended 31st March 2002.

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.

Results and dividends

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

The directors do not recommend 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 movement in fixed assets are set out in note 10 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 2002 reflects their current open market values.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

Interest in £1 Ordinary shares
at 31st March 2002 and 1st April 2001

C. J. O'Shea, Esq.	100,000
A. O'Shea, Mrs.	100,000
J. M. O'Sullivan, Esq. (resigned on 11th October 2002)	-
R. A. O'Connor, Esq.	-

C. J. O'Shea, Esq. and A. O'Shea, Mrs., retire by rotation and being eligible offer themselves for re-election.

Charitable contributions

The group made charitable donations of £10,260 (2001 : £6,239) during the year.

C. J. O'Shea Group Limited

Directors' Report

for the year ended 31st March 2002

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

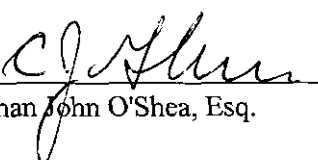
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditors, Messrs. Riordan O'Sullivan & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the Board on 30th October 2002 and signed on its behalf by:

 Chairman
Crohan John O'Shea, Esq.

C. J. O'Shea Group Limited

Independent auditors' report to the shareholders of C. J. O'Shea Group Limited

We have audited the financial statements of C. J. O'Shea Group Limited for the year ended 31st March 2002 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit 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 judgements made by the directors in the preparation of the financial statements, and of 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 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 the group as at 31st March 2002 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.

Chartered Certified Accountants

Registered Auditors

40 Chamberlayne Road

London

NW10 3JE

30th October 2002

C. J. O'Shea Group Limited
Consolidated Profit and Loss Account
for the year ended 31st March 2002

	Notes	2002 £	2001 £
Turnover			
Continuing operations		20,025,691	21,179,178
Discontinued operations		-	345,662
Turnover	2	20,025,691	21,524,840
Cost of sales	2	(17,119,194)	(19,238,392)
Gross profit		2,906,497	2,286,448
Administrative expenses	2	(1,734,798)	(1,734,606)
Operating profit			
Continuing operations		1,171,699	432,612
Discontinued operations		-	119,230
Operating profit	3	1,171,699	551,842
Interest receivable and similar income	5	41,953	34,303
Interest payable and similar charges	6	(140,421)	(192,114)
Profit on sale of investments		8,150	9,000
Profit on sale of land and buildings		-	50,877
Share of results of associated undertaking		(7,476)	12,593
Provision for diminution in value of current asset investments		-	(56,865)
Profit on ordinary activities before taxation		1,073,905	409,636
Tax on profit on ordinary activities	9	(497,667)	(131,997)
Profit on ordinary activities after taxation		576,238	277,639
Equity minority interests		-	(44,586)
Retained profit for the year		576,238	233,053

The notes on pages 9 to 25 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 2002

	2002	2001
	£	£
Profit for the financial year	576,238	233,053
Foreign currency translation adjustments	(2,711)	3,380
Total recognised gains and losses for the year	<u><u>573,527</u></u>	<u><u>236,433</u></u>

The notes on pages 9 to 25 form part of these financial statements.

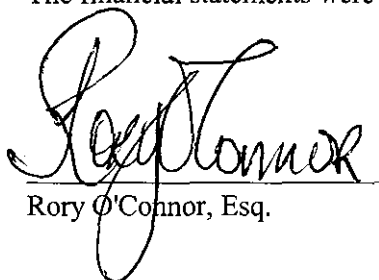
C. J. O'Shea Group Limited

Consolidated Balance Sheet

as at 31st March 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	10	4,722,160	4,526,045
Investments	11	1,032,839	1,040,315
		<u>5,754,999</u>	<u>5,566,360</u>
Current assets			
Stocks	13	2,298,020	810,244
Debtors	14	2,268,227	2,830,158
Investments	15	74,032	94,682
Cash at bank and in hand		1,322,213	1,023,560
		<u>5,962,492</u>	<u>4,758,644</u>
Creditors: amounts falling due within one year	16	(5,725,713)	(4,970,820)
Net current assets / (liabilities)		<u>236,779</u>	<u>(212,176)</u>
Total assets less current liabilities		5,991,778	5,354,184
Creditors: amounts falling due after more than one year	17	(1,150,554)	(1,204,875)
Provision for liabilities and charges	19	(118,388)	-
Equity minority interests	21	-	-
Net assets		<u>4,722,836</u>	<u>4,149,309</u>
Capital and reserves			
Called up share capital	20	200,000	200,000
Revaluation reserve	22	1,575,422	1,575,422
Profit and loss account	22	2,947,414	2,373,887
Equity shareholders' funds	23	<u>4,722,836</u>	<u>4,149,309</u>

The financial statements were approved by the Board on 30th October 2002 and signed on its behalf by:


 Director
 Rory O'Connor, Esq.

The notes on pages 9 to 25 form part of these financial statements.

C. J. O'Shea Group Limited

Balance Sheet

as at 31st March 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	10	2,392,301	2,392,301
Investments	11	100,409	100,409
		<u>2,492,710</u>	<u>2,492,710</u>
Current assets			
Debtors	14	374,660	376,550
Cash at bank and in hand		919	3,869
		<u>375,579</u>	<u>380,419</u>
Creditors: amounts falling due within one year	16	(627,535)	(614,900)
Net current liabilities		<u>(251,956)</u>	<u>(234,481)</u>
Net assets		<u>2,240,754</u>	<u>2,258,229</u>
Capital and reserves			
Called up share capital	20	200,000	200,000
Revaluation reserve	22	1,575,422	1,575,422
Profit and loss account	22	465,332	482,807
Equity shareholders' funds	23	<u>2,240,754</u>	<u>2,258,229</u>

The financial statements were approved by the Board on 30th October 2002 and signed on its behalf by:


 _____ Director
 Rory O'Connor, Esq.

The notes on pages 9 to 25 form part of these financial statements.

C. J. O'Shea Group Limited

Consolidated Cash Flow Statement

for the year ended 31st March 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		1,171,699	551,842
Depreciation		337,783	338,825
Profit on sale of fixed assets		(2,135)	(108,451)
Foreign currency translation adjustment		(2,711)	3,380
Increase in stocks		(1,487,776)	(376,302)
Decrease / (increase) in debtors		561,931	(345,774)
Increase in creditors		1,265,093	801,031
Net cash inflow from operating activities		<u>1,843,884</u>	<u>864,551</u>

CONSOLIDATED CASH FLOW STATEMENT

Net cash inflow from operating activities		1,843,884	864,551
Returns on investments and servicing of finance	24	(98,468)	(318,202)
Taxation	24	(91,092)	(159,147)
Capital expenditure	24	(215,066)	382,448
		<u>1,439,258</u>	<u>769,650</u>
Management of liquid resources	24	28,800	9,000
Financing	24	(485,472)	(611,696)
Increase in cash in the year		<u>982,586</u>	<u>166,954</u>

Reconciliation of net cash flow to movement in net debt (Note 25)

Increase in cash in the year	982,586	166,954
Cash outflow from decrease in debt and lease financing	485,472	611,696
Cash inflow from decrease in liquid resources	(20,650)	(56,865)
	<u>1,447,408</u>	<u>721,785</u>
Change in net debt resulting from cash flows	(316,697)	(217,527)
New finance leases		
Movement in net debt in the year	1,130,711	504,258
Net debt at 1st April 2001	(1,746,682)	(2,250,940)
Net debt at 31st March 2002	<u>(615,971)</u>	<u>(1,746,682)</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

1. Accounting Policies

1.1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards using the historical cost convention as modified by the revaluation of freehold land and buildings and investment properties.

1.2. Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31st March 2002 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.

1.3. 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.

1.4. 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.

1.5. 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

1.6. 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.

1.7. 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.

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

1.8. Joint venture

An entity is treated as a joint venture where the group holds a long term interest and shares control under a contractual agreement.

In the group's accounts the joint venture is accounted for using the equity method of accounting. The profit and loss account includes the group's share of the operating results, interest, pre tax results and attributable taxation of such undertaking based on audited financial statements for the year. In the balance sheet, the interests in joint venture are shown as the group's share of the net assets, exclusive of any goodwill.

1.9. Inter-company balances

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

1.10. Leasing

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

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

1.11. Stocks

Stocks are stated at the lower of cost and net realisable value as follows:

Development land	-	Lower of cost and net realisable value.
Raw materials and stocks for resale	-	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.

1.12. 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.

1.13. Pensions

The group operates a defined contribution pension scheme, and the contributions payable to the scheme are charged to the profit and loss account in the period to which they relate.

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

1.14. *Deferred taxation*

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. In accordance with FRS19, deferred tax is not recognised on revaluation gains. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.15. *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.

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.

Cost of sales and administration expenses

	2002			2001		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	£	£	£	£	£	£
Cost of sales	<u>17,119,194</u>	<u>-</u>	<u>17,119,194</u>	<u>19,097,345</u>	<u>141,047</u>	<u>19,238,392</u>
Administration expenses	<u>1,734,798</u>	<u>-</u>	<u>1,734,798</u>	<u>1,649,221</u>	<u>85,385</u>	<u>1,734,606</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

3. Operating profit	2002 £	2001 £
Operating profit is stated after charging / (crediting):		
Depreciation of tangible assets		
- owned by the group	211,256	250,977
- held under hire purchase contracts	126,128	87,848
Profit on disposal of tangible fixed assets	(2,135)	(108,451)
Auditors' remuneration		
- for audit services	25,000	24,500
- for other services	8,225	25,850

4. Income from shares in group undertakings

	Company	
	2002 £	2001 £
Capital distribution from		
Salenhire Fork Trucks Limited	-	160,157

Salenhire Fork Trucks Limited, a 51% subsidiary undertaking incorporated and trading in the UK, ceased trading on 31st October 2000. It made an interim capital distribution of £155,000 on 3rd April 2001 with a final capital distribution of £5,208 on 6th July 2001. These distributions have been reflected in the financial statements for the year ended 31st March 2001.

5. Interest receivable and similar income

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
Bank deposit interest	40,859	33,322	-	-
Income from current asset investments	1,094	981	-	-
	41,953	34,303	-	-

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

6. Interest payable and similar charges

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Interest on bank loans and overdrafts	98,731	145,542	22,613	24,142
Hire purchase interest	29,033	32,195	-	-
Interest paid to C. J. O'Shea Retirement Fund	12,602	14,377	-	-
Interest on late payment of tax	55	-	55	-
	<u>140,421</u>	<u>192,114</u>	<u>22,668</u>	<u>24,142</u>

7. Employees

	Group	
Number of employees	2002	2001
The average number of employees during the year were:	Number	Number
Directors	6	6
Direct labour	88	90
Administrative and technical	62	65
	<u>156</u>	<u>161</u>

Employment costs

Employment costs, including directors' remuneration, were as follows:

	2002	2001
	£	£
Wages and salaries	4,311,024	4,046,579
Social security costs	411,379	384,810
Pension scheme contributions	78,684	87,491
	<u>4,801,087</u>	<u>4,518,880</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

7.1. Directors' emoluments

	Group	
	2002	2001
	£	£
Emoluments and other benefits	588,592	231,624
Pension scheme contributions	11,752	11,286
	<u>600,344</u>	<u>242,910</u>
	2002	2001
	£	£
Highest paid director		
Amounts included above:		
Emoluments and other benefits	437,687	95,238
Pension scheme contributions	4,282	4,936
	<u>441,969</u>	<u>100,174</u>

8. Pension costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions paid during the year amounted to £78,684 (2001 : £87,491). At the balance sheet date, contributions of £Nil (2001 : £Nil) were due to the fund.

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

9. Taxation	Group		Company	
	2002 £	2001 £	2002 £	2001 £
UK Corporation Tax - current year	372,084	169,564	57,861	7,106
- prior year	7,195	(112)	527	-
Total current tax charge	379,279	169,452	58,388	7,106
Deferred tax charge / (credit)	118,388	(37,455)	-	-
	<u>497,667</u>	<u>131,997</u>	<u>58,388</u>	<u>7,106</u>

The tax assessed for the year is higher than the standard rate of UK taxation applicable to the group. The differences are explained below:

Profit on ordinary activities before taxation	<u>1,073,905</u>	<u>409,636</u>	<u>40,913</u>	<u>195,590</u>
Profit on ordinary activities multiplied by standard rate	323,976	142,335	11,771	39,118
Chargeable gains	46,046	(32,031)	46,046	(32,031)
Expenses not deductible for tax purposes	17,924	24,588	45	20
Income not chargeable for corporation tax	(2,773)	(295)	-	-
Depreciation for the year in excess of capital allowances	(12,448)	82,935	(1)	(1)
Profit on disposal of fixed assets	(641)	(47,968)	-	-
Adjustments to tax charge in respect of prior year	7,195	(112)	527	-
Current tax charge for the year	<u>379,279</u>	<u>169,452</u>	<u>58,388</u>	<u>7,106</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

10. Tangible fixed assets

a) Group

	Freehold land and buildings	Freehold investment properties	Plant and equipment	Total
	£	£	£	£
Cost / valuation				
At 1st April 2001	2,914,140	504,374	8,176,744	11,595,258
Additions	-	-	532,307	532,307
Currency translation	-	1,451	140	1,591
Disposals	-	-	(49,343)	(49,343)
At 31st March 2002	<u>2,914,140</u>	<u>505,825</u>	<u>8,659,848</u>	<u>12,079,813</u>
Depreciation				
At 1st April 2001	195,644	10,596	6,862,973	7,069,213
On disposals	-	-	(49,343)	(49,343)
Currency translation	-	259	140	399
Charge for the year	15,337	1,217	320,830	337,384
At 31st March 2002	<u>210,981</u>	<u>12,072</u>	<u>7,134,600</u>	<u>7,357,653</u>
Net book values				
At 31st March 2002	<u>2,703,159</u>	<u>493,753</u>	<u>1,525,248</u>	<u>4,722,160</u>
At 31st March 2001	<u>2,718,496</u>	<u>493,778</u>	<u>1,313,771</u>	<u>4,526,045</u>
Cost or valuation at 31st March 2002 is represented by:				
Valuations	2,466,840	445,000	-	2,911,840
Cost	447,300	60,825	8,659,848	9,167,973
	<u>2,914,140</u>	<u>505,825</u>	<u>8,659,848</u>	<u>12,079,813</u>

The net book value of tangible fixed assets includes an amount of £688,484 (2001 : £688,113) in respect of assets held under hire purchase contracts.

The directors have reviewed the valuations of the freehold land and buildings and investment properties, and in their opinion the current open market valuations are as shown in these financial statements.

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

	Investment properties		Freehold properties	
	2002	2001	2002	2001
	£	£	£	£
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>45,880</u>	<u>43,082</u>	<u>180,500</u>	<u>180,500</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

10.1. Tangible fixed assets

b) Company

	Freehold land and buildings £	Plant and equipment £	Total £
Cost / valuation			
At 1st April 2001 and at 31st March 2002	<u>2,392,300</u>	<u>5,755</u>	<u>2,398,055</u>
Depreciation			
At 1st April 2001 and at 31st March 2002	<u>-</u>	<u>5,754</u>	<u>5,754</u>
Net book values			
At 31st March 2002	<u>2,392,300</u>	<u>1</u>	<u>2,392,301</u>
At 31st March 2001	<u>2,392,300</u>	<u>1</u>	<u>2,392,301</u>
Cost or valuation at 31st March 2002 is represented by:			
Valuations	1,945,000	-	1,945,000
Cost	<u>447,300</u>	<u>5,755</u>	<u>453,055</u>
	<u>2,392,300</u>	<u>5,755</u>	<u>2,398,055</u>

Freehold land and buildings are shown at valuation, and include investment properties of £445,000 (2001 : £445,000)

The directors have reviewed the valuations of the freehold land and buildings and investment properties, and in their opinion the current open market valuations are as shown in these financial statements.

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

	Investment properties		Freehold properties	
	2002	2001	2002	2001
	£	£	£	£
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>45,880</u>	<u>43,082</u>	<u>180,500</u>	<u>180,500</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

11. Fixed asset investments	2002	2001
(a) Group	£	£
Investment in associated undertaking	182,838	190,314
Investment in joint venture	850,001	850,001
	<u>1,032,839</u>	<u>1,040,315</u>
 <i>(i) Investment in associated undertaking</i>		
Balance brought forward	190,314	177,721
Share of current year's trading (loss) / profit	(7,476)	12,593
Balance carried forward	<u>182,838</u>	<u>190,314</u>
 <i>(ii) Investment in joint venture</i>		
	Shares in joint venture £	Loans to joint venture £
Cost		Total £
At 1st April 2001 and at 31st March 2002	<u>1</u>	<u>850,000</u>
		<u>850,001</u>

The group holds one third of the nominal value of the share capital of Finstart Limited, a company incorporated in the United Kingdom.

The joint venture has been established for the purpose of carrying out a commercial office and retail development which is scheduled for completion in June 2003. Under the terms of the agreement, the group and one of the partners will receive the first £850,000 of profit split equally between them as well as interest on the loans. Thereafter the profit will be divided in three equal shares between the three joint venture partners. They expect the project to be profitable.

(b) Company	2002	2001
<i>Investment in group undertakings</i>	£	£
At 1st April 2001	100,375	100,426
Elimination share capital on dissolution of subsidiary undertaking (note 12)	-	(51)
Investment in associated undertaking	34	34
At 31st March 2002	<u>100,409</u>	<u>100,409</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

12. Investments in subsidiary and associated undertakings

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

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

Salenhire Fork Trucks Limited ceased trading when it sold its trading assets on 31st October 2000. It subsequently sold its freehold property in November 2000 and was only receiving deposit account interest since then. The company was struck off the register under Section 652A(5) of the Companies Act 1985 on 18th September 2001.

Incorporated in the Republic of Ireland

Redgrave Limited	Property development	100%
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13. Stocks

	Group	
	2002	2001
	£	£
Stocks of spares and parts	154,603	152,497
Contract work-in-progress	593,417	657,747
Land for development	1,550,000	-
	<u>2,298,020</u>	<u>810,244</u>

14. Debtors

	Group		Company	
<i>Due within one year:</i>	2002	2001	2002	2001
	£	£	£	£
Trade debtors	1,306,853	2,234,029	-	-
Amounts owed by group undertakings	-	-	140	140
Amounts owed by associated undertaking	409,518	411,714	374,520	376,410
Other debtors	386,569	107,349	-	-
Prepayments	165,287	77,066	-	-
	<u>2,268,227</u>	<u>2,830,158</u>	<u>374,660</u>	<u>376,550</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

15. Current asset investments

	Group	
	2002	2001
	£	£
Quoted investments	63,023	83,673
Unquoted investments	11,009	11,009
	<u>74,032</u>	<u>94,682</u>
Market valuation of listed investments	<u>68,733</u>	<u>73,201</u>

16. Creditors: amounts falling due within one year

	Group	Company	
	2002	2001	2002
	£	£	£
Bank overdrafts (secured)	273,663	957,596	-
Bank loans (secured)	381,382	421,867	294,591
Other loan	160,000	160,000	-
Net obligations under finance leases and hire purchase contracts	202,413	272,665	-
Trade creditors	2,707,208	2,784,571	-
Amounts owed on purchase of land	793,125	-	-
Amounts owed to group undertakings	-	-	268,014
Corporation tax	378,762	90,575	57,861
Other taxes and social security costs	169,045	201,028	-
Directors' loan accounts	2,337	-	-
Other creditors	824	8,647	-
Accruals	656,954	73,871	7,069
	<u>5,725,713</u>	<u>4,970,820</u>	<u>627,535</u>
	<u>5,725,713</u>	<u>4,970,820</u>	<u>614,900</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

17. Creditors: amounts falling due after more than one year

	Group	
	2002	2001
	£	£
Bank loans (secured)	850,000	956,920
Amount owed to related undertaking	155,796	152,079
Net obligations under finance leases and hire purchase contracts	144,758	95,876
	<u>1,150,554</u>	<u>1,204,875</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 £1,231,382 (2001 : £1,378,787) and this is payable in annual instalments, plus interest as follows:-

	2002	2001
	£	£
Within one year	106,066	122,797
Between one and two years	19,275	122,797
Between two and five years	1,106,041	1,133,193
	<u>1,231,382</u>	<u>1,378,787</u>

- (b) Other loans

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

18. Obligations under hire purchase contracts

The maturity of these amounts is as follows:

	2002	2001
	£	£
Amounts payable:		
Within one year	210,433	288,264
Between one and five years	162,063	95,876
	<u>372,496</u>	<u>384,140</u>
Less: Finance charges allocated to future periods	(25,325)	(15,599)
	<u>347,171</u>	<u>368,541</u>
Hire purchase contracts are analysed as follows:		
Current obligations	202,413	272,665
Non-current obligations	144,758	95,876
	<u>347,171</u>	<u>368,541</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

19. Provisions for liabilities and charges

(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:

	Group	
	2002	2001
	£	£
At 1st April 2001	-	37,455
Transferred from / (to) profit and loss account	118,388	(37,455)
At 31st March 2002	<u>118,388</u>	<u>-</u>

The group has applied FRS19 "Deferred Taxation" for the first time in these financial statements. As a result, the accounting policy for deferred taxation has been changed and full provision has been made for timing differences arising from accelerated capital allowances, as opposed to nil provision basis previously used.

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

	2002	2001
	£	£
At 1st April 2001	105,342	91,268
(Decrease) / increase in the year	(105,342)	14,074
At 31st March 2002	<u>-</u>	<u>105,342</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.

20. Share capital

	2002	2001
	£	£
<i>Authorised equity</i>		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
<i>Allotted, called up and fully paid equity</i>		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

21. Amounts attributable to minority shareholders	2002	2001
	£	£
<i>Interests in Salenhire Fork Trucks Limited:</i>		
Called up share capital	-	49
Profit and loss account	-	199,596
Crystallisation of revaluation reserve	-	(39,254)
Elimination of reserve on capital distribution	-	(160,391)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
22. Reserves	Revaluation reserve	Profit and loss account
	£	£
a) Group		
At 1st April 2001	1,575,422	2,373,887
Retained profit for the year	-	576,238
Foreign currency translation	-	(2,711)
At 31st March 2002	<u>1,575,422</u>	<u>2,947,414</u>
b) Company		
At 1st April 2001	1,575,422	482,807
(Loss) / retained profit for the year	-	(17,475)
At 31st March 2002	<u>1,575,422</u>	<u>465,332</u>
23. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
a) Group		
Group profit for the year	573,527	236,433
Crystallisation of revaluation reserve	-	(40,856)
Opening shareholders' funds	<u>4,149,309</u>	<u>3,953,732</u>
Closing shareholders' funds	<u>4,722,836</u>	<u>4,149,309</u>
b) Company		
(Loss) / profit for the year	(17,475)	188,484
Opening shareholders' funds	<u>2,258,229</u>	<u>2,069,745</u>
Closing shareholders' funds	<u>2,240,754</u>	<u>2,258,229</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

24.	Gross cash flows		2002	2001	
			£	£	
	Returns on investments and servicing of finance				
	Interest received		41,953	34,303	
	Interest paid		(111,388)	(159,919)	
	Interest element of finance lease rental payments		(29,033)	(32,195)	
	Capital distribution		-	(160,391)	
			<u>(98,468)</u>	<u>(318,202)</u>	
	Taxation				
	Corporation tax paid		<u>(91,092)</u>	<u>(159,147)</u>	
	Capital expenditure				
	Payments to acquire tangible assets		(217,201)	(110,751)	
	Receipts from sales of tangible assets		<u>2,135</u>	<u>493,199</u>	
			<u>(215,066)</u>	<u>382,448</u>	
	Management of Liquid Resources				
	Receipts from sales of short term investments		<u>28,800</u>	<u>9,000</u>	
	Financing				
	Loan repayments		(147,405)	(288,116)	
	Capital element of hire purchase contracts		<u>(338,067)</u>	<u>(328,580)</u>	
			<u>(485,472)</u>	<u>(616,696)</u>	
25.	Analysis of changes in net debt	Opening balance £	Cash flows £	Other changes £	Closing balance £
	Cash at bank and in hand	1,023,560	298,653	-	1,322,213
	Overdrafts	<u>(957,596)</u>	<u>683,933</u>	<u>-</u>	<u>(273,663)</u>
		<u>65,964</u>	<u>982,586</u>	<u>-</u>	<u>1,048,550</u>
	Liquid resources	<u>94,682</u>	<u>(20,650)</u>	<u>-</u>	<u>74,032</u>
	Debt due within one year	(581,867)	40,485	-	(541,382)
	Debt due after one year	(956,920)	106,920	-	(850,000)
	Finance leases	<u>(368,541)</u>	<u>338,067</u>	<u>(316,697)</u>	<u>(347,171)</u>
		<u>(1,907,328)</u>	<u>485,472</u>	<u>(316,697)</u>	<u>(1,738,553)</u>
	Total	<u>(1,746,682)</u>	<u>1,447,408</u>	<u>(316,697)</u>	<u>(615,971)</u>

C. J. O'Shea Group Limited

Notes to the Financial Statements

for the year ended 31st March 2002

26. Capital commitments

There were no capital commitments either authorised or contracted for at the balance sheet date (2001 : £Nil).

27. Contingent liabilities

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

28. 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 12, arising from their shareholdings in the parent company.

29. 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.

30. Post balance sheet events

There were no events since the year end which materially affected the company and the group other than the dissolution of Salenhire Fork Trucks Limited as disclosed in notes 4 and 12.

31. Related parties

2002	2001
£	£

At the balance sheet date the following amounts were owed from / (owed to) group undertakings:

C. J. O'Shea (Formwork) Limited, a 100% subsidiary	140	140
C. J. O'Shea and Company Limited, a 100% subsidiary	(226,308)	(192,826)
C. J. O'Shea (Plant Hire) Limited, a 100% subsidiary	(41,706)	(91,706)
	<u>(267,874)</u>	<u>(284,392)</u>

The following amounts were due from a related undertaking:

Tramore Properties Limited	<u>374,520</u>	<u>376,410</u>
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During the year:

(a) C. J. O'Shea Group Limited charged rent to its subsidiary undertakings:

C. J. O'Shea and Company Limited	30,000	30,000
C. J. O'Shea (Plant Hire) Limited	50,000	36,000