

C. J. O'Shea Group Limited
Consolidated Financial Statements
for the year ended 31st March 2009



Registration Number 1128708 (England and Wales)

C. J. O'Shea Group Limited

Company Information

Directors	C. J. O'Shea, Esq. A. O'Shea, Mrs. R. A. O'Connor, Esq.
Secretary	R. A. O'Connor, Esq.
Company Number	1128708 (England and Wales)
Registered Office	Granard Business Centre Bunns 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 W1J 6AA
Solicitors	ASB Law Stoneham House 17 Scarbrook Road Croydon CR0 1SQ

C. J. O'Shea Group Limited

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C. J. O'Shea Group Limited

Directors' report for the year ended 31st March 2009

The directors present their report and the audited financial statements of the company and its subsidiaries for the year ended 31st March 2009.

Principal activities

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

The group principal activities remain those of concrete frame and building contractors, property development and management of liquid resources (C. J. O'Shea and Company Limited), and hire of plant to the construction industry (C. J. O'Shea (Plant Hire) Limited).

Results and dividends

The results of the group for the year are set out on page 7 of these financial statements. The directors do not recommend payment of a dividend.

Business review

The directors consider the results achieved on ordinary activities to be satisfactory. Despite the economic downturn trading prospects for the forthcoming year are very encouraging because of the level of contract work already secured. The liquidity of the group remains strong and the group is well equipped to take advantage of opportunities that will come its way.

Key performance indicators

The key financial highlights for the company are as follows:

	2009	2008	2007	2006
Turnover (£)	96,644,367	73,034,425	47,233,170	42,100,773
Turnover growth (%)	32.33	54.63	12.19	53.17
Net profit margin (%)	10.45	8.27	9.54	10.06
Profit before tax (£)	10,095,220	6,042,521	4,504,676	4,234,365

Principal risks and uncertainties

The group does not utilize complex financial instruments or hedging mechanism. Its principal financial instruments comprise bank deposits, overdrafts, a stockbroking facility, short term investments, finance leases together with trade debtors and trade creditors that arise directly from its obligations.

Whilst the group is generally risk-averse there are always risks associated with the activities of building contract work and property development. The principal risk for the group is a downturn in the property market, as is currently being experienced, resulting in building development works being deferred or cancelled. This is likely to ultimately result in lower levels of turnover and more competitive margins. The likelihood of increased bad debts from failing companies in the industry is also greater.

The credit difficulty in the banking industry is a new uncertainty that is likely to have an impact on business confidence and activity levels.

Commercial risk

Every contract is continually reviewed for performance and risk to the group. The global economic position is well understood by the directors. Whilst the directors will monitor the market conditions closely the group is confident that it will secure sufficient workload in the foreseeable future.

C. J. O'Shea Group Limited

Directors' report for the year ended 31st March 2009

..... continued

Interest rate risk

Apart from a stockbroking facility relating to CFD transactions, the group has minimal bank borrowings.

Liquidity risk

The group has cash on deposit at bank and there is no deemed liquidity risk in the foreseeable future.

Credit risk

The group's credit risk is primarily attributable to amounts recoverable on contracts and plant hire, monies due from related undertakings, trade creditors and subcontractors.

Contract debtors are managed by the regular monitoring of progress on contract work and contract payment applications. Debtors due from related undertakings are closely monitored by management ensuring that adequate security is maintained for outstanding monies.

Trade creditors and subcontractors' liquidity is managed by ensuring sufficient funds are available to meet amounts due.

Fixed assets

The movements in fixed assets are set out in note 12 to these financial statements.

Employee involvement and training

The group is committed to encouraging the involvement of its employees in the improvement of processes and efficiency within the group. A management structure that allows an employee to follow a career path is in place and key changes in the business are implemented via working parties comprising employee representatives and the group's management.

The group has implemented an in-house training system that allows the group to identify gaps in skill levels or technical knowledge and delivers the required training in a timely manner. This system will allow employees to monitor their own progress in improving their skills at any level or occupation.

Employment of disabled persons

The group continues its policy regarding the employment of disabled persons and fair consideration is given to applications for employment by disabled persons having regard to their particular aptitudes and abilities.

Health and safety at work

During the year the group has remained accredited to SPECC (Specialists Concrete Contractors) Limited. The group has a policy for securing the health, safety and welfare at work of its employees and for protecting other persons against the risks to health or safety arising out of or in connection with activities at work of those employees.

Environment

The group remains committed to seeking ways of minimizing the impact of its business operations upon the environment.

Policies for carbon reduction, waste removal and recycling together with formal accreditation to SPECC Limited all work together to achieve these objectives.

C. J. O'Shea Group Limited

Directors' report for the year ended 31st March 2009

..... continued

Quality Management

The group continues to be accredited to SPECC Limited having been audited on its systems and processes. The group's systems are continually reviewed to enable it to implement changes both through forward planning and historical review process.

The group has invested in new technology to streamline its information flow. This will enable employees to share information amongst themselves and with external parties in a more efficient manner. The group has fully reviewed its supply chain and has in conjunction with its key suppliers and subcontractors implemented a formal process of measurement of performance at every level in order to gain improvement in performance and value.

Payments of creditors

Terms and conditions of payment and supply are agreed in advance with suppliers and subcontractors and the group endeavours to adhere to its side of the arrangements. In line with normal practice in the industry general suppliers are paid at the end of the month following the month of supply. Other terms may apply in some cases.

The average number of days in which suppliers and subcontractors are paid are:

Trade creditors - 30 days

Subcontractors - 25 days

Close company status

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

Directors and their interests

The directors who served during the year are:

C. J. O'Shea, Esq.

A. O'Shea, Mrs.

R. A. O'Connor, Esq.

Charitable and political contributions

Charitable donations of £51,598 (2008 : £14,789) were made by the group during the year to charities based in the UK. There were no political contributions.

C. J. O'Shea Group Limited

Directors' report for the year ended 31st March 2009

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Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 group and the company and of the profit or loss of the group for that period. 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 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 company and the group 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.

Disclosure of information to auditors

At the date of making this report each of the company's directors, as set out on the company information page, confirm the following:

- so far as the director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

The company has by elective resolution under Section 386(1) of the Companies Act 1985 dispensed with annual reappointment of the auditors. Riordan O'Sullivan & Co. will be deemed to be reappointed for each succeeding financial year.

This report was approved by the Board on 29 JANUARY 2010 and signed on its behalf by:


C. J. O'Shea, Esq.
Director

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 2009 which comprise the profit and loss account, the balance sheet, the cashflow 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

C. J. O'Shea Group Limited

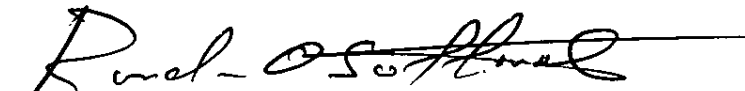
Independent auditors' report to the shareholders of C. J. O'Shea Group Limited

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Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the company and group as at 31st March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



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

Date: 29.01.2010

C. J. O'Shea Group Limited

**Consolidated profit and loss account
for the year ended 31st March 2009**

	Notes	2009 £	2008 £
Turnover	2	96,644,367	73,034,425
Cost of sales		(82,068,913)	(64,866,289)
Gross profit		14,575,454	8,168,136
Administrative expenses		(5,511,134)	(4,206,685)
Other operating (loss)/income	3	(1,085,035)	548,288
Share of operating profit in participating interest	8	1,183,027	287,475
Operating profit	4	9,162,312	4,797,214
Share of operating profit in associated undertaking	13	69,903	83,738
Profit on ordinary activities before interest		9,232,215	4,880,952
Income from participating interest	5	40,000	103,029
Interest receivable and similar income	6	1,048,834	1,305,013
Interest payable and similar charges	7	(191,574)	(246,473)
Profit on ordinary activities before taxation		10,129,475	6,042,521
Tax on profit on ordinary activities	11	(3,286,006)	(1,900,855)
Profit on ordinary activities after taxation		<u>6,843,469</u>	<u>4,141,666</u>
being retained profit for the year		<u>6,843,469</u>	<u>4,141,666</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

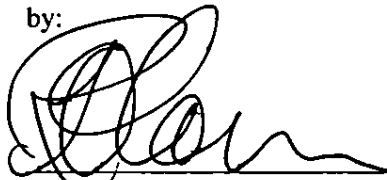
The notes on pages 11 to 29 form part of these financial statements.

C. J. O'Shea Group Limited

**Consolidated balance sheet
as at 31st March 2009**

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	12	8,721,667	9,035,388
Investments	13	1,780,477	837,112
		<u>10,502,144</u>	<u>9,872,500</u>
Current assets			
Stocks	14	577,737	586,408
Debtors	15	27,301,115	24,719,376
Investments	16	5,886,684	3,183,414
Cash at bank and in hand		11,464,103	3,795,029
		<u>45,229,639</u>	<u>32,284,227</u>
Creditors: amounts falling due within one year	17	(27,330,164)	(20,251,137)
Net current assets		<u>17,899,475</u>	<u>12,033,090</u>
Total assets less current liabilities		<u>28,401,619</u>	<u>21,905,590</u>
Creditors: amounts falling due after more than one year	18	(552,331)	(860,414)
Provision for liabilities	20	(796,613)	(835,970)
Net assets		<u><u>27,052,675</u></u>	<u><u>20,209,206</u></u>
Capital and reserves			
Called up share capital	21	200,000	200,000
Revaluation reserve	22	64,714	64,714
Profit and loss account	22	26,787,961	19,944,492
Equity shareholders' funds	23	<u><u>27,052,675</u></u>	<u><u>20,209,206</u></u>

The financial statements were approved by the Board on 29-1-2010 and signed on its behalf by:

 Director
Rory O'Connor, Esq.

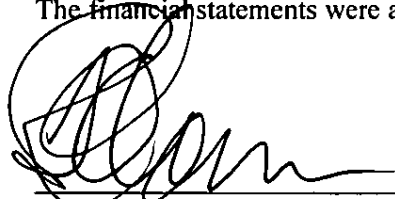
The notes on pages 11 to 29 form part of these financial statements.

C. J. O'Shea Group Limited

**Balance sheet
as at 31st March 2009**

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	12	180,000	180,000
Investments	13	100,234	100,234
		<u>280,234</u>	<u>280,234</u>
Current assets			
Debtors	15	3,871,522	3,852,149
Cash at bank and in hand		1,033,183	1,032,575
		<u>4,904,705</u>	<u>4,884,724</u>
Creditors: amounts falling due within one year	17	(20,415)	(69,419)
Net current assets		<u>4,884,290</u>	<u>4,815,305</u>
Net assets		<u>5,164,524</u>	<u>5,095,539</u>
Capital and reserves			
Called up share capital	21	200,000	200,000
Revaluation reserve	22	64,714	64,714
Profit and loss account	22	4,899,810	4,830,825
Equity shareholders' funds	23	<u>5,164,524</u>	<u>5,095,539</u>

The financial statements were approved by the Board on 29-1-2010 and signed on its behalf by:

 Director
Rory O'Connor, Esq.

The notes on pages 11 to 29 form part of these financial statements.

C. J. O'Shea Group Limited

**Consolidated cash flow statement
for the year ended 31st March 2009**

	Notes	2009 £	2008 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		9,162,312	4,797,214
Depreciation and disposal of tangible fixed assets		1,198,387	979,141
Share of operating loss in joint ventures (non-cash item)		349,591	327,346
Decrease in stocks		8,671	130,064
Increase in debtors		(2,581,739)	(6,046,961)
Increase in creditors		6,698,804	3,451,070
Net cash inflow from operating activities		<u>14,836,026</u>	<u>3,637,874</u>

CONSOLIDATED CASH FLOW STATEMENT

Net cash inflow from operating activities		14,836,026	3,637,874
Returns on investments and servicing of finance	29	897,260	1,161,569
Taxation	29	(2,852,475)	(1,320,855)
Capital disposals, expenditure and financial investments	29	243,733	(887,445)
(Acquisition) / disposals of fixed asset investments	29	(1,237,943)	100,000
		<u>11,886,601</u>	<u>2,691,143</u>
Management of liquid resources	29	(2,703,270)	3,704,460
Financing	29	(1,458,982)	(8,261,637)
Increase/(decrease) in cash in the year		<u>7,724,349</u>	<u>(1,866,034)</u>

Reconciliation of net cash flow to movement in net funds (note 30)

Increase/(decrease) in cash in the year	7,724,349	(1,866,034)
Cash inflow from change in debt and lease financing	1,458,982	8,261,637
Cash inflow / (outflow) from change in liquid resources	2,703,270	(3,704,460)
	<u>11,886,601</u>	<u>2,691,143</u>
Change in net funds resulting from cash flows	11,886,601	2,691,143
New finance leases	(1,128,399)	(2,053,614)
	<u>10,758,202</u>	<u>637,529</u>
Movement in net funds in the year	10,758,202	637,529
Net funds at 1st April 2008	4,886,454	4,248,925
Net funds at 31st March 2009	<u>15,644,656</u>	<u>4,886,454</u>

The notes on pages 11 to 29 form part of these financial statements.

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2009

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 2009 and the group's share of the results of its participating interest.

In accordance with Section 230 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 parent company.

1.3. Turnover

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

Turnover and related costs are recorded as contract activity progresses. For long term contracts an appropriate proportion of the anticipated profit is recognised reflecting the work carried out to the balance sheet date, and when the final outcome is reasonably certain.

1.4. 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:

Buildings	- over 50 years
Plant and equipment	- over 4 to 7 years
Motor vehicles	- over 4 years

1.5. 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.

1.6. Investments

Fixed asset investments are included in the group balance sheet at cost less any amounts written off for impairment in value.

Listed and unlisted current asset investments are stated at lower of cost and estimated net realisable value. Other investments are stated at cost.

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2009

..... continued

1.7. 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.

1.8. Stocks

Stocks comprise of

(i) property acquired for development together with work in progress on the property. These assets are included at the lower of cost and net realisable value. Cost for this purpose consists of purchase cost of the land and buildings and the development expenditure.

(ii) Contract work in progress which is valued at the cost of direct materials, labour and attributable overheads.

(iii) Consumables and spares which are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

1.9. Amounts recoverable on contracts

Amounts recoverable on contracts, which are included in debtors, are stated at the value of the work done to date 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 deferred income. Turnover and related costs are recorded as contract activity progresses and for long term contracts an appropriate proportion of the anticipated profit is recognised reflecting the work carried out to the balance sheet date, and where the final outcome is reasonably certain.

1.10. Pensions

Obligations for contributions to defined contribution pension plans are charged to the profit and loss account in the period to which the contributions relate.

1.11. 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. Deferred tax balances are not discounted.

1.12. Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the date of the transactions. Exchange differences are taken into account in arriving at operating profit.

1.13. Liquid resources

Liquid resources comprise of current asset investments.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

2. Turnover

Turnover represents the measured value of contract work done, plant sales and hire income, exclusive of value added tax and they were all derived from UK operations.

3. Other operating (loss)/income

	2009	2008
	£	£
(Loss)/income from current asset investments	<u>(1,085,035)</u>	<u>548,288</u>

4. Operating profit

	2009	2008
	£	£

Operating profit is stated after charging / (crediting):

Depreciation of tangible fixed assets		
- owned by the group	<u>757,108</u>	<u>579,520</u>
- held under hire purchase contracts	<u>435,427</u>	<u>400,196</u>
Profit / (loss) on disposal of tangible fixed assets	<u>5,852</u>	<u>(575)</u>
Loss on foreign exchange transactions	<u>22,072</u>	<u>47,821</u>
Auditors' remuneration		
- audit	<u>58,250</u>	<u>69,000</u>
- accountancy	<u>3,000</u>	<u>10,000</u>
- other corporative services	<u>34,000</u>	<u>46,000</u>
Bad and doubtful debts	<u>197,511</u>	<u>208,683</u>

5. Income from other fixed asset investments

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Dividend receivable from associated undertaking	<u>40,000</u>	<u>103,029</u>	<u>40,000</u>	<u>103,029</u>

6. Interest receivable and similar income

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank interest	670,258	566,450	41,915	174,580
Loan interest from related undertakings	366,732	490,631	-	-
Loan interest from joint venture	11,844	247,932		
	<u>1,048,834</u>	<u>1,305,013</u>	<u>41,915</u>	<u>174,580</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

7. Interest payable and similar charges

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Interest on bank loans and overdrafts	2,343	107,629	-	-
Hire purchase interest	142,178	122,208	-	-
Other interest payable	47,053	16,636	2,481	2,983
	<u>191,574</u>	<u>246,473</u>	<u>2,481</u>	<u>2,983</u>

8. Share of operating profit/(loss) in joint ventures

	Group	
	2009	2008
	£	£
Share of operating profit from joint ventures	1,532,618	614,821
Share of operating loss in joint ventures (non-cash item)	(349,591)	(327,346)
	<u>1,183,027</u>	<u>287,475</u>

9. Staff costs (Group)

	2009	2008
	£	£
Staff costs, including directors' remuneration, were as follows:		
Wages and salaries	7,934,946	7,092,945
Social security costs	891,649	780,199
Pension costs	378,501	132,514
	<u>9,205,096</u>	<u>8,005,658</u>

None of the directors were remunerated by C. J. O'Shea Group Limited.

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

Directors	4	4
Direct labour	88	93
Administrative and technical	83	77
	<u>175</u>	<u>174</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

9.1. Directors' emoluments

	Group	
	2009	2008
	£	£
Remuneration and other emoluments	998,059	1,117,886
Pension costs	229,864	11,206
	<u>1,227,923</u>	<u>1,129,092</u>
	<u>1,227,923</u>	<u>1,129,092</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>
	£	£
Highest paid director		
Amounts included above:		
Remuneration and other emoluments	998,059	1,117,886
Pension costs	229,864	11,206
	<u>1,227,923</u>	<u>1,129,092</u>
	<u>1,227,923</u>	<u>1,129,092</u>

10. Pension costs

The group operates the defined contribution pension plans. Each member has their own policy. The assets of the pension plans are held separately from those of the group under the management of pension providers. The total pension cost charged to income of £378,501 (2008 : £132,514) represents contributions payable to the defined contribution pension plans by the group. At the balance sheet date, contributions of £Nil (2008 : £Nil) were due to the fund.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

11. Taxation

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
UK Corporation tax - current year	3,325,363	1,636,075	9,347	52,378
- prior year	-	(15,258)	-	-
Total current tax charge	3,325,363	1,620,817	9,347	52,378
Deferred tax (credit)/charge	(39,357)	280,038	-	-
	<u>3,286,006</u>	<u>1,900,855</u>	<u>9,347</u>	<u>52,378</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (28%) applicable to the group. The differences are explained below:

Profit on ordinary activities before taxation	10,129,475	6,042,521	78,332	277,522
Group share of profit in associated undertaking	(69,903)	(83,738)	-	-
Group share of loss in joint ventures	349,591	327,346	-	-
	<u>10,409,163</u>	<u>6,286,129</u>	<u>78,332</u>	<u>277,522</u>
Profit on ordinary activities multiplied by standard rate 28% (2008 : 30%)	2,914,566	1,885,839	21,933	83,257
Effects of:				
Expenses not deductible for tax purposes	417,972	49,441	42	30
Accrued pension	-	(2,991)	-	-
Capital allowance for the year in excess of depreciation	(32,796)	(259,850)	-	-
Profit / (loss) on disposal of fixed assets	1,539	(173)	-	-
Franked investment income	(11,200)	(30,909)	(11,200)	(30,909)
Adjustment for prior year	-	(15,258)	-	-
Share of loan interest capitalised in joint venture	21,819	(23,378)	-	-
Share of tax in associated undertaking	14,891	18,096	-	-
Marginal relief	(1,428)	-	(1,428)	-
Current tax charge for the year	<u>3,325,363</u>	<u>1,620,817</u>	<u>9,347</u>	<u>52,378</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

12. Tangible fixed assets

a) Group	Freehold land and buildings	Freehold investment properties	Plant and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost / valuation					
At 1st April 2008	873,400	180,000	15,669,173	439,908	17,162,481
Additions	-	80,609	806,812	1,676	889,097
Disposals	-	-	(61,525)	(15,093)	(76,618)
At 31st March 2009	873,400	260,609	16,414,460	426,491	17,974,960
Depreciation					
At 1st April 2008	269,361	-	7,546,722	311,010	8,127,093
On disposals	-	-	(55,525)	(10,810)	(66,335)
Charge for the year	13,468	-	1,136,114	42,953	1,192,535
At 31st March 2009	282,829	-	8,627,311	343,153	9,253,293
Net book value					
At 31st March 2009	590,571	260,609	7,787,149	83,338	8,721,667
At 31st March 2008	604,039	180,000	8,122,451	128,898	9,035,388

Cost or valuation at 31st March 2009 is represented by:

Cost	873,400	80,609	16,414,460	426,491	17,794,960
Valuation	-	180,000	-	-	180,000
	873,400	260,609	16,414,460	426,491	17,974,960

The net book value of tangible fixed assets includes an amount of £4,016,738 (2008 : £3,880,897) in respect of assets held under hire purchase contracts.

The directors have reviewed the valuations of investment properties, and in their opinion the current open market valuations are in excess of that shown in these financial statements.

If freehold investment properties had not been revalued they would have been included at cost of £15,346 (2008 : £15,346).

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

12. Tangible fixed assets

b) Company

**Freehold
investment
properties
£**

Valuation

At 1st April 2008 and
At 31st March 2009

180,000

Net book value

At 31st March 2009

180,000

At 31st March 2008

180,000

If freehold land and buildings and investment properties had not been revalued they would have been included at cost of £15,346 (2008 : £15,346).

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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13. Fixed asset investments	2009	2008
(a) Group	£	£
These comprise of investments in participating interests:		
(i) Investment in associates:		
- Tramore Properties Limited	644,320	589,308
- Blendpack Limited	767,066	732,807
(ii) Investment in joint ventures		
- Fitzroy (Heath) LLP	3,357	74,698
- Boatport Limited	(599,605)	(393,588)
- Freshplant Limited	(261,924)	(166,113)
- Marsh Wall Chelsea LLP	1,227,263	-
	<u>1,780,477</u>	<u>837,112</u>
 (i) Investment in associated undertaking		
(a) Tramore Properties Limited	2009	2008
	£	£
Balance brought forward	589,308	523,666
Share of current year's trading profit	69,903	83,738
Taxation	(14,891)	(18,096)
Balance carried forward	<u>644,320</u>	<u>589,308</u>
 (b) Blendpack Limited		
	2009	2008
	£	£
Cost of shareholding	767,066	732,807
	<u>767,066</u>	<u>732,807</u>

This investment was in a joint venture company established for the purpose of a mixed residential and commercial property development. The development was completed and all the residential units were sold.

(ii) Investment in joint ventures

(a) Fitzroy (Heath) LLP

	2009	2008
	£	£
Share of gross assets	3,357	1,454,906
Share of gross liabilities	-	(1,380,208)
	<u>3,357</u>	<u>74,698</u>

This investment was in a Limited Liability Partnership established for the purpose of a residential property development with the group having a 50% equity interest therein.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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(b) Boatport Limited

	2009	2008
	£	£
Share of gross assets	4,708,463	5,838,913
Share of gross liabilities	(5,308,068)	(6,232,501)
	<u>(599,605)</u>	<u>(393,588)</u>

This investment is in a company established for the purpose of a commercial property development. The group owns 15% of the share of this venture.

(c) Freshplant Limited

	2009	2008
	£	£
Share of gross assets	2,167,061	1,394,746
Share of gross liabilities	(2,428,985)	(1,560,859)
	<u>(261,924)</u>	<u>(166,113)</u>

This investment is in a company established for the purpose of a mixed residential and commercial property development. The group owns 17.5% of the share of this venture.

(d) Marshwall Chelsea LLP

	2009	2008
	£	£
Share of gross assets	1,275,025	-
Share of gross liabilities	(47,762)	-
	<u>1,227,263</u>	<u>-</u>

This investment is in a Limited Liability Partnership established for the purpose of a residential property development. The group owns 25% of the share of this venture.

13. (b) Company

Investment in subsidiary and associated undertakings:

	2009	2008
	£	£
Balance brought forward	100,234	100,234
Balance carried forward	<u>100,234</u>	<u>100,234</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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13.1. Holdings of 20% or more

The group holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Participating interests				
Blendpack Limited	England and Wales	Property development	Ordinary	50%

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

	Capital and reserves	Loss for the year
	£	£
Blendpack Limited	<u>35,240</u>	<u>(2,289,425)</u>

13.2. 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%
Tramore Properties Limited	Property investment	34%

Capital and reserves of the associated undertaking as at 31st March 2009 were as follows:

	£	£
- Share capital		10,003
- Profit and loss account		
- brought forward	1,559,333	
- profit after dividend	<u>41,802</u>	
		<u>1,601,135</u>
Equity shareholders' funds		<u>1,611,138</u>
<u>Incorporated in the Republic of Ireland</u>		
Redgrave Limited	Dormant	100%

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

14. Stocks

	Group	
	2009	2008
	£	£
Consumables and spares	91,122	99,793
Development property	486,615	486,615
	<u>577,737</u>	<u>586,408</u>

15. Debtors

	Group	Company	
	2009	2008	2009
	£	£	£
Amounts recoverable on contracts	15,746,366	13,120,304	-
Due from group undertakings	-	-	3,494,829
Due from associated undertakings	377,659	377,674	375,694
Due from related undertakings	8,283,655	7,726,706	-
Due in respect of joint ventures	1,683,315	2,068,204	-
Other debtors	871,899	1,063,442	-
Prepayments and accrued income	338,221	363,046	999
	<u>27,301,115</u>	<u>24,719,376</u>	<u>3,871,522</u>
			<u>3,852,149</u>

Other debtors include an amount of £591,819 (2008 : £427,412) relating to VAT refund.

Amounts due from group undertakings represent loans which are repayable after more than one year.
Amounts due from related undertakings and associated undertakings are payable on demand.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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16. Current asset investments
Group

	2009	2008
	£	£
Listed	79,643	79,643
Unlisted	11,009	11,009
Other	5,796,032	3,092,762
	<u>5,886,684</u>	<u>3,183,414</u>

Other investments consist of CFD transactions operated through a stockbroking facility. The balance at the year end was represented by:

	2009	2008
	£	£
Cost	5,706,461	7,828,540
Facility	(4,268,616)	(6,474,531)
Margin	1,437,845	1,354,009
Deposits	4,358,187	1,738,753
	<u>5,796,032</u>	<u>3,092,762</u>

**17. Creditors: amounts falling due
within one year**

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Bank overdrafts (secured)	-	55,275	-	-
Net obligations under finance leases and hire purchase contracts	1,153,800	1,176,300	-	-
Trade creditors	14,299,896	10,039,898	-	-
Amounts owed to associated undertaking	-	952,184	-	-
Amounts owed to related undertakings	153,053	147,802	-	-
Corporation tax	1,883,400	1,417,390	11,828	54,661
Other taxes and social security costs	596,031	303,166	-	-
Other creditors	132,931	65,641	-	-
Deferred income	6,216,464	4,643,049	-	-
Accruals	2,894,589	1,450,432	8,587	14,758
	<u>27,330,164</u>	<u>20,251,137</u>	<u>20,415</u>	<u>69,419</u>

The hire purchase obligations are secured on the assets concerned.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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**18. Creditors: amounts falling due
after more than one year**

	Group	
	2009	2008
	£	£
Net obligations under finance leases and hire purchase contracts	<u>552,331</u>	<u>860,414</u>

19. Obligations under hire purchase contracts

	Group	
	2009	2008
	£	£
The maturity of these amounts is as follows:		
Amounts payable:		
Within one year	1,227,975	1,273,647
Between two and five years	<u>569,055</u>	<u>895,818</u>
	1,797,030	2,169,465
Less: Finance charges allocated to future periods	<u>(90,899)</u>	<u>(132,751)</u>
	<u>1,706,131</u>	<u>2,036,714</u>
Hire purchase contracts are analysed as follows:		
Current obligations	1,153,800	1,176,300
Non-current obligations	<u>552,331</u>	<u>860,414</u>
	<u>1,706,131</u>	<u>2,036,714</u>

20. Provision for liabilities

	Group	
	2009	2008
	£	£
Deferred taxation in respect of:		
Accelerated capital allowances	796,613	812,592
Loan interest capitalised in share of joint venture	<u>-</u>	<u>23,378</u>
	<u>796,613</u>	<u>835,970</u>
Provision as at 1st April 2008	835,970	555,932
Deferred tax (credit)/charge to profit and loss account	<u>(39,357)</u>	<u>280,038</u>
Provision as at 31st March 2009	<u>796,613</u>	<u>835,970</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

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21. Share capital	2009	2008
	£	£
Authorised equity 500,000 Ordinary shares £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid equity 200,000 Ordinary shares £1 each	<u>200,000</u>	<u>200,000</u>
22. Reserves	Revaluation reserve	Profit and loss account
	£	£
a) Group		
At 1st April 2008	64,714	19,944,492
Profit for the year after taxation	-	6,843,469
At 31st March 2009	<u>64,714</u>	<u>26,787,961</u>
b) Company		
At 1st April 2008	64,714	4,830,825
Profit for the year after taxation	-	68,985
At 31st March 2009	<u>64,714</u>	<u>4,899,810</u>
23. Reconciliation of movements in shareholders' funds	2009	2008
	£	£
a) Group		
Opening shareholders' funds	20,209,206	16,067,540
Group profit for the year after taxation	<u>6,843,469</u>	<u>4,141,666</u>
Closing shareholders' funds	<u>27,052,675</u>	<u>20,209,206</u>
b) Company		
Profit for the year	68,985	225,144
Opening shareholders' funds	<u>5,095,539</u>	<u>4,870,395</u>
Closing shareholders' funds	<u>5,164,524</u>	<u>5,095,539</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

24. Other commitments

At 31st March 2009 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2009	2008
	£	£
Expiry date:		
Between one and five years	<u>285,000</u>	<u>260,000</u>

25. Capital commitments

There were no capital commitments either authorised or contracted for at the balance sheet date (2008 : £Nil).

26. Contingent liabilities

The group has entered into performance bonds with recourse in favour of third parties. The maximum total potential liability is £20,023,221 (2008 : £21,907,308). These contingent liabilities are not expected to give rise to any material loss as they are fully insured.

27. Ultimate controllers

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

28. Post balance sheet events

There were no events since the year end which materially affect the company and the group.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

29. Gross cash flows	2009	2008
	£	£
Returns on investments and servicing of finance		
Interest received	1,048,834	1,305,013
Interest paid	(49,396)	(124,265)
Interest element of finance lease rental payments	(142,178)	(122,208)
Dividends received	40,000	103,029
	<u>897,260</u>	<u>1,161,569</u>
 Taxation		
Corporation tax paid	(2,852,475)	(1,320,855)
	<u></u>	<u></u>
 Capital disposals, expenditure and financial investments		
Receipts from financing / (payments) to acquire tangible assets	239,302	(944,072)
Receipts from sales of tangible assets	4,431	56,627
	<u>243,733</u>	<u>(887,445)</u>
 Acquisitions and disposals of fixed asset investments		
Receipts from joint venturer for repayment of members' capital	71,341	100,000
Payments to participating interest	(1,309,284)	-
	<u>(1,237,943)</u>	<u>100,000</u>
 Management of liquid resources		
Receipts from sale of short term investments	4,268,616	19,722,008
Payments to acquire short term investments	(6,971,886)	(16,017,548)
	<u>(2,703,270)</u>	<u>3,704,460</u>
 Financing		
Other new short term loans	-	16,212,521
Repayment of short term bank loan	-	(1,875,000)
Repayment of other short term loans	-	(21,494,158)
Capital element of hire purchase contracts	(1,458,982)	(1,105,000)
	<u>(1,458,982)</u>	<u>(8,261,637)</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2009**

..... continued

30. Analysis of changes in net funds	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	3,795,029	7,669,074	-	11,464,103
Overdrafts	(55,275)	55,275	-	-
	<u>3,739,754</u>	<u>7,724,349</u>	<u>-</u>	<u>11,464,103</u>
Liquid resources	3,183,414	2,703,270	-	5,886,684
Finance leases	(2,036,714)	1,458,982	(1,128,399)	(1,706,131)
Net funds	<u>4,886,454</u>	<u>11,886,601</u>	<u>(1,128,399)</u>	<u>15,644,656</u>

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2009

..... continued

31. Related party transactions

Group

The group had the following related party balances as follows:

		2009 £	2008 £
	Percentage Shareholdin	Owed by/ (Owed to)	Owed by/ (Owed to)
<u>Entities under common control</u>			
O' Shea Homes Limited		3,463,121	3,306,871
Rayforce Construction Limited		4,820,534	4,419,835
<u>Associates</u>			
Tramore Properties Limited	34%	1,965	1,980
<u>Joint ventures</u>			
Fitzroy (Heath) LLP		-	1,110,479
Freshplant Limited		1,683,315	957,725

During the year the group carried out contract work for the joint ventures as follows:

Fitzroy (Heath) LLP	4,596	1,829,713
Boatport Limited	18,562,091	11,706,800
Freshplant Limited	2,586,848	671,642

The group also received interest from the following related parties/ joint ventures as follows:

O'Shea Homes Limited	156,250	209,980
Rayforce Construction Limited	210,481	280,651
Fitzroy (Heath) LLP	11,844	247,932

Company

The company had the following related party balances as follows:

Group undertakings

C. J. O'Shea and Company Limited	100%	3,389,285	3,367,219
C. J. O'Shea (Plant Hire) Limited	100%	105,544	105,544

Associates

Tramore Properties Limited	34%	375,694	375,694
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