

C. J. O'Shea Group Limited
Consolidated Financial Statements
for the year ended 31st March 2010

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COMPANIES HOUSE

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 and Statutory 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 2010

The directors present their report and the audited financial statements of the company and its subsidiaries for the year ended 31st March 2010

Principal activities

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

The group principal activities are 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 Because of the economic downturn turnover has reduced but trading prospects for the forthcoming year are encouraging 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 group are as follows

	2010	2009	2008	2007
Turnover (£)	83,310,400	96,644,367	73,034,425	47,233,170
Turnover growth (%)	(13.80)	32.33	54.63	12.19
Net profit margin (%)	13.86	10.48	8.27	9.54
Profit before tax (£)	11,543,139	10,129,475	6,042,521	4,504,676

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 2010

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

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 all work together to achieve these objectives

C. J. O'Shea Group Limited

Directors' report for the year ended 31st March 2010

continued

Quality Management

The group continues to be accredited to SPECC 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 £19,000 (2009: £51,598) 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 2010**

continued

Statement of directors' responsibilities

The directors are responsible for preparing the *Directors' Report* and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and 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 group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of information included on the group's website.

Disclosure of information to auditors

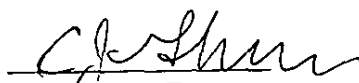
At the date of making this report each of the company's directors, as set out on the company information page, confirm the following:

- 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 they ought to have taken as a director in order to make themselves aware of any relevant audit 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

Riordan O'Sullivan & Co. are deemed to be reappointed in accordance with an elective resolution made under Section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report was approved by the Board on 22/12/10 and signed on its behalf by


C. J. O'Shea, Esq.
Director

**Independent auditor's report to the members 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 2010 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31st March 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006.

In our opinion the information given in the Directors' Report for the financial year ended 31st March 2010 is consistent with the financial statements.

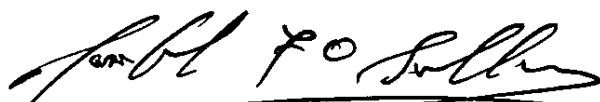
**Independent auditor's report to the members of
C. J. O'Shea Group Limited**

continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**J. F. O'Sullivan (Senior Statutory Auditor)
For and on behalf of Riordan O'Sullivan & Co.
Chartered Certified Accountants and
Statutory Auditors
40 Chamberlayne Road
London
NW10 3JE**

Date: 22/12/10

C. J. O'Shea Group Limited

**Consolidated profit and loss account
for the year ended 31st March 2010**

	Notes	2010 £	2009 £
Turnover	2	83,310,400	96,644,367
Cost of sales		(69,234,552)	(82,068,913)
Gross profit		14,075,848	14,575,454
Administrative expenses		(3,223,330)	(5,511,134)
Other operating loss	3	(24,423)	(1,085,035)
Share of operating (loss)/profit from fixed asset investments	8	(3,060)	1,183,027
Income from other investments		247,918	-
Operating profit	4	11,072,953	9,162,312
Share of operating profit in associated undertaking	14	71,601	69,903
Profit on ordinary activities before interest		11,144,554	9,232,215
Dividend from associated undertaking	5	-	40,000
Interest receivable and similar income	6	628,889	1,048,834
Interest payable and similar charges	7	(230,304)	(191,574)
Profit on ordinary activities before taxation		11,543,139	10,129,475
Tax on profit on ordinary activities	11	(3,300,085)	(3,286,006)
Profit on ordinary activities after taxation being retained profit for the year	24	<u>8,243,054</u>	<u>6,843,469</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 26 form part of these financial statements.

C. J. O'Shea Group Limited

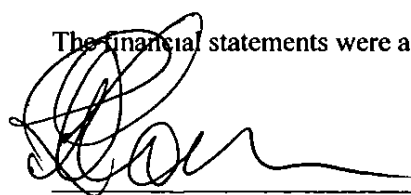
(Company registration number 1128708 (England and Wales))

Consolidated balance sheet

as at 31st March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	12	11,996,082	8,721,667
Investments in associates	14	1,024,965	1,411,386
Investments - other investments and loans	15	1,275,544	1,278,382
		<u>14,296,591</u>	<u>11,411,435</u>
Current assets			
Stocks	16	588,782	577,739
Debtors	17	29,385,588	27,301,115
Investments	18	8,942,620	5,886,684
Cash at bank and in hand		<u>15,826,435</u>	<u>11,464,103</u>
		54,743,425	45,229,641
Creditors: amounts falling due within one year	19	(32,063,676)	(27,330,164)
Net current assets		<u>22,679,749</u>	<u>17,899,477</u>
Total assets less current liabilities		36,976,340	29,310,912
Creditors: amounts falling due after more than one year	20	-	(552,331)
Provision for liabilities	22	(771,318)	(796,613)
Net assets		<u><u>36,205,022</u></u>	<u><u>27,961,968</u></u>
Capital and reserves			
Called up share capital	23	200,000	200,000
Revaluation reserve	24	64,714	64,714
Profit and loss account	24	<u>35,940,308</u>	<u>27,697,254</u>
Equity shareholders' funds	25	<u><u>36,205,022</u></u>	<u><u>27,961,968</u></u>

The financial statements were approved by the Board on 22/12/10 and signed on its behalf by.


 _____ Director
 Rory O'Connor, Esq

The notes on pages 11 to 26 form part of these financial statements.

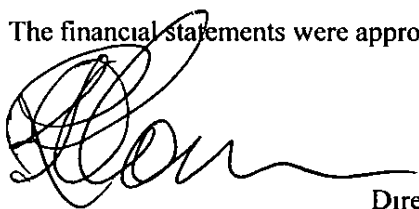
C. J. O'Shea Group Limited

(Company registration number 1128708 (England and Wales))

**Balance sheet
as at 31st March 2010**

	Notes	2010 £	2009 £
Tangible assets	12	4,534,918	180,000
Investments in group undertakings	13	100,200	100,200
Investments in associates	14	34	34
		<u>4,635,152</u>	<u>280,234</u>
Current assets			
Debtors	17	1,098,759	3,871,522
Cash at bank and in hand		1,043,329	1,033,183
		<u>2,142,088</u>	<u>4,904,705</u>
Creditors: amounts falling due within one year	19	<u>(374,007)</u>	<u>(20,414)</u>
Net current assets		<u>1,768,081</u>	<u>4,884,291</u>
Total assets less current liabilities		<u>6,403,233</u>	<u>5,164,525</u>
Creditors: amounts falling due after more than one year	20	<u>(1,108,493)</u>	<u>-</u>
Net assets		<u><u>5,294,740</u></u>	<u><u>5,164,525</u></u>
Capital and reserves			
Called up share capital	23	200,000	200,000
Revaluation reserve	24	64,714	64,714
Profit and loss account	24	5,030,026	4,899,811
Shareholders' funds	25	<u><u>5,294,740</u></u>	<u><u>5,164,525</u></u>

The financial statements were approved by the Board on 22/12/10 and signed on its behalf by



Rory O'Connor, Esq
Director

The notes on pages 11 to 26 form part of these financial statements.

C. J. O'Shea Group Limited

**Consolidated cash flow statement
for the year ended 31st March 2010**

	Notes	2010	2009
		£	£
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		11,072,953	9,162,312
Depreciation and disposal of tangible fixed assets		1,208,631	1,198,387
Share of operating loss in other investments (non-cash item)		-	349,591
(Increase)/decrease in stocks		(11,045)	8,671
Increase in debtors		(2,084,473)	(2,581,739)
Increase in creditors		6,593,740	6,698,804
Net cash inflow from operating activities		<u>16,779,806</u>	<u>14,836,026</u>

CONSOLIDATED CASH FLOW STATEMENT

Net cash inflow from operating activities		16,779,806	14,836,026
Returns on investments and servicing of finance	31	398,585	897,260
Taxation	31	(4,569,115)	(2,852,475)
Capital disposals, expenditure and financial investments	31	(4,040,046)	243,733
Disposal/(acquisition) of fixed asset investments	31	2,838	(1,237,943)
		<u>8,572,068</u>	<u>11,886,601</u>
Management of liquid resources	31	(3,055,936)	(2,703,270)
Financing	31	(1,153,800)	(1,458,982)
Increase in cash in the year		<u>4,362,332</u>	<u>7,724,349</u>

Reconciliation of net cash flow to movement in net funds (note 32)

Increase in cash in the year		4,362,332	7,724,349
Cash inflow from change in debt and lease financing		1,153,800	1,458,982
Cash inflow / (outflow) from change in liquid resources		3,055,936	2,703,270
		<u>8,572,068</u>	<u>11,886,601</u>
Change in net funds resulting from cash flows		8,572,068	11,886,601
New finance leases		-	(1,128,399)
Movement in net funds in the year		<u>8,572,068</u>	<u>10,758,202</u>
Net funds at 1st April 2009		<u>15,644,656</u>	<u>4,886,454</u>
Net funds at 31st March 2010		<u>24,216,724</u>	<u>15,644,656</u>

The notes on pages 11 to 26 form part of these financial statements.

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2010

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 2010 and the group's share of the results of its participating interest

In accordance with Section 408 of the Companies Act 2006 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 for hire	- over 10 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.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

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

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

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2010

continued

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

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

	2010 £	2009 £
Loss from current asset investments	(24,423)	(1,085,035)

4. Operating profit

	2010 £	2009 £
Operating profit is stated after charging / (crediting)		
Depreciation of tangible fixed assets		
- owned by the group	936,943	757,108
- held under hire purchase contracts	235,624	435,427
Loss on disposal of tangible fixed assets	36,064	5,852
Loss on foreign exchange transactions	353,545	22,072
Auditors' remuneration		
- audit	54,000	58,250
- accountancy	1,190	3,000
- other corporate services	6,421	34,000
Bad and doubtful debts	47,889	197,511

5. Income from fixed asset investments

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Dividend receivable from associated undertaking	-	40,000	-	40,000

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

6. Interest receivable and similar income

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank interest	223,166	670,258	11,825	41,915
Loan interest from related undertakings	126,991	378,576	-	-
Other interest	278,732	-	-	-
	<u>628,889</u>	<u>1,048,834</u>	<u>11,825</u>	<u>41,915</u>

7. Interest payable and similar charges

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Interest on bank loans and overdrafts	154,957	2,343	-	-
Hire purchase interest	48,757	142,178	-	-
Other interest payable	26,590	47,053	3	2,481
	<u>230,304</u>	<u>191,574</u>	<u>3</u>	<u>2,481</u>

8. Share of operating profit/(loss) from fixed asset investments

	Group	
	2010	2009
	£	£
Share of operating (loss)/profit from fixed asset investments	(3,060)	1,532,618
Share of operating loss from fixed asset investments (non-cash item)	-	(349,591)
	<u>(3,060)</u>	<u>1,183,027</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

9. Staff costs (Group)

	2010	2009
	£	£
Staff costs, including directors' remuneration, were as follows		
Wages and salaries	6,592,287	7,934,946
Social security costs	690,657	891,649
Pension costs	133,412	378,501
	<u>7,416,356</u>	<u>9,205,096</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	81	88
Administrative and technical	74	83
	<u>159</u>	<u>175</u>

9.1. Directors' emoluments

	Group	
	2010	2009
	£	£
Remuneration and other emoluments	498,731	998,059
Pension costs	12,864	229,864
	<u>511,595</u>	<u>1,227,923</u>

	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

Highest paid director	£	£
Amounts included above		
Remuneration and other emoluments	498,731	998,059
Pension costs	12,864	229,864
	<u>511,595</u>	<u>1,227,923</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 independent pension providers. The total pension cost charged to income of £133,412 (2009 £378,501) represents contributions payable to the defined contribution pension plans by the group. At the balance sheet date, contributions of £Nil (2009 £Nil) were due to the fund.

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

11. Taxation	Group		Company	
	2010 £	2009 £	2010 £	2009 £
UK Corporation tax - current year	3,338,338	3,325,363	49,958	9,347
- prior year	(12,958)	-	359	-
Total current tax charge	3,325,380	3,325,363	50,317	9,347
Deferred tax credit	(25,295)	(39,357)	-	-
	<u>3,300,085</u>	<u>3,286,006</u>	<u>50,317</u>	<u>9,347</u>
The tax assessed for the year is higher 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	11,543,139	10,129,475	180,532	78,332
Group share of profit in associated undertaking	(71,601)	(69,903)	-	-
Group share of loss in other investments (non cash item)	-	349,591	-	-
	<u>11,471,538</u>	<u>10,409,163</u>	<u>180,532</u>	<u>78,332</u>
Profit on ordinary activities multiplied by standard rate 28% (2009 - 28%)	3,212,031	2,914,566	50,549	21,933
Effects of:				
Expenses not deductible for tax purposes	60,760	417,972		42
Difference in capital allowance and depreciation	27,646	(32,796)	-	-
Loss on disposal of fixed assets	10,098	1,539	-	-
Franked investment income	-	(11,200)		(11,200)
Adjustment for prior year	(12,958)	-	359	-
Adjustment for other investments	13,373	21,819	-	-
Share of tax in associated undertaking	15,022	14,891	-	-
Marginal relief	(592)	(1,428)	(591)	(1,428)
Current tax charge for the year	<u>3,325,380</u>	<u>3,325,363</u>	<u>50,317</u>	<u>9,347</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

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 2009	873,400	260,609	16,414,460	426,491	17,974,960
Additions	4,354,918	-	92,509	42,554	4,489,981
Disposals	-	-	(86,177)	-	(86,177)
At 31st March 2010	<u>5,228,318</u>	<u>260,609</u>	<u>16,420,792</u>	<u>469,045</u>	<u>22,378,764</u>
Depreciation					
At 1st April 2009	282,829	-	8,627,311	343,153	9,253,293
On disposals	-	-	(43,178)	-	(43,178)
Charge for the year	13,468	-	1,116,860	42,239	1,172,567
At 31st March 2010	<u>296,297</u>	<u>-</u>	<u>9,700,993</u>	<u>385,392</u>	<u>10,382,682</u>
Net book value					
At 31st March 2010	<u>4,932,021</u>	<u>260,609</u>	<u>6,719,799</u>	<u>83,653</u>	<u>11,996,082</u>
At 31st March 2009	<u>590,571</u>	<u>260,609</u>	<u>7,787,149</u>	<u>83,338</u>	<u>8,721,667</u>

Cost or valuation at 31st March 2010 is represented by

Cost	5,228,318	80,609	16,420,792	469,045	22,198,764
Valuation	-	180,000	-	-	180,000
	<u>5,228,318</u>	<u>260,609</u>	<u>16,420,792</u>	<u>469,045</u>	<u>22,378,764</u>

The net book value of tangible fixed assets includes an amount of £1,797,777 (2009 £4,016,738) 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 (2009 £15,346)

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

12. Tangible fixed assets

b) Company

	Freehold land and buildings £	Freehold investment properties £	Total £
Valuation			
At 1st April 2009	-	180,000	180,000
Additions	4,354,918	-	4,354,918
At 31st March 2010	<u>4,354,918</u>	<u>180,000</u>	<u>4,534,918</u>
Net book value			
At 31st March 2010	<u>4,354,918</u>	<u>180,000</u>	<u>4,534,918</u>
At 31st March 2009	<u>-</u>	<u>180,000</u>	<u>180,000</u>

If freehold investment properties had not been revalued they would have been included at cost of £15,346 (2009 £15,346)

13. Investments in group undertakings

Company	2010 £	2009 £
Shares in subsidiary undertakings	<u>100,200</u>	<u>100,200</u>

Additional information on principal subsidiary undertakings

Name	Country of registration/ incorporation	Nature of business	Capital held class	Proportion of shares held
C J O'Shea and Company Limited	England and Wales	Building contractors	Ordinary share	100%
C J O'Shea (Plant Hire) Limited	England and Wales	Plant hire and sale	Ordinary share	100%
Redgrave Limited	Republic of Ireland	Dormant	Ordinary share	100%

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

14. Fixed asset investments - investments in associates

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Interests in associated undertaking	700,899	644,320	34	34
Loan to associated undertaking	324,066	767,066	-	-
	<u>1,024,965</u>	<u>1,411,386</u>	<u>34</u>	<u>34</u>

Additional information in respect of movement during the year

Interests in associated undertaking

	£	£
Cost of shares		34
Group share of post acquisition reserves		
At 1st April 2009	644,286	
Share of profit for the year	71,601	
Share of taxation	<u>(15,022)</u>	
		<u>700,865</u>
At 31st March 2010		<u>700,899</u>

Loan to associated undertaking

At 1st April 2009	767,066
Repayment	<u>(443,000)</u>
At 31st March 2010	<u>324,066</u>

Additional information on associated undertakings and other significant holdings

Name	Country of registration/ incorporation	Nature of business	Capital held class	Proportion of shares held
Tramore Properties Limited	England and Wales	Property investment	Ordinary share	34%
Blendpack Limited	England and Wales	Property development	Ordinary share	50%

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

15. Fixed asset investments - other

Other investments and loans

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Investments	544	3,382	-	-
Loan	1,275,000	1,275,000	-	-
	<u>1,275,544</u>	<u>1,278,382</u>	<u>-</u>	<u>-</u>

16. Stocks

	Group	
	2010	2009
	£	£
Consumables and spares	96,278	91,124
Development property	492,504	486,615
	<u>588,782</u>	<u>577,739</u>

17. Debtors

	Group		Company	
Due within one year	2010	2009	2010	2009
	£	£	£	£
Amounts recoverable on contracts	6,679,802	11,102,759	-	-
Trade debtors	979,998	1,167,402	-	-
Due from related undertakings	8,942,614	8,661,314	375,694	375,694
Due from investments	8,679,287	1,683,315	616,198	-
Other debtors	693,565	871,899	-	-
Prepayments and accrued income	335,507	338,221	1,323	999
	<u>26,310,773</u>	<u>23,824,910</u>	<u>993,215</u>	<u>376,693</u>
Due after more than one year:				
Amounts recoverable on contracts	3,074,815	3,476,205		
Amounts owed by group undertakings	-	-	105,544	3,494,829
	<u>29,385,588</u>	<u>27,301,115</u>	<u>1,098,759</u>	<u>3,871,522</u>

Other debtors include an amount of £363,027 (2009 £591,819) relating to VAT refund

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

**18. Current asset investments
Group**

	2010	2009
	£	£
Listed	3,515,893	79,643
Unlisted	11,009	11,009
Other	5,415,718	5,796,032
	<u>8,942,620</u>	<u>5,886,684</u>

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

	2010	2009
	£	£
Cost	5,677,239	5,706,461
Facility	(5,210,960)	(4,268,616)
Margin	466,279	1,437,845
Deposits	4,949,439	4,358,187
	<u>5,415,718</u>	<u>5,796,032</u>

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

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	552,331	1,153,800	-	-
Trade creditors	8,805,497	14,299,896	-	-
Amounts owed to related undertakings	160,722	153,053	160,500	-
Corporation tax	624,647	1,883,400	50,321	11,827
Other taxes and social security costs	61,000	596,031	-	-
Other creditors	93,753	132,931	-	-
Payments received on account	21,172,099	6,216,464	-	-
Accruals	593,627	2,894,589	163,186	8,587
	<u>32,063,676</u>	<u>27,330,164</u>	<u>374,007</u>	<u>20,414</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 2010**

continued

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

	Group		Company	
	2010	2009	2010	2009
Amount owed to group undertaking	-	-	1,108,493	-
Net obligations under finance leases and hire purchase contracts	-	552,331	-	-
	<u>-</u>	<u>552,331</u>	<u>1,108,493</u>	<u>-</u>

21. Obligations under hire purchase contracts

	Group	
	2010	2009
	£	£
The maturity of these amounts is as follows		
Amounts payable		
Within one year	569,055	1,227,975
Between two and five years	-	569,055
	<u>569,055</u>	<u>1,797,030</u>
Less Finance charges allocated to future periods	(16,724)	(90,899)
	<u>552,331</u>	<u>1,706,131</u>
Hire purchase contracts are analysed as follows		
Current obligations	552,331	1,153,800
Non-current obligations	-	552,331
	<u>552,331</u>	<u>1,706,131</u>

22. Provision for liabilities

Deferred taxation in respect of

	Group	
	2010	2009
	£	£
Accelerated capital allowances	771,318	796,613
	<u>771,318</u>	<u>796,613</u>
Provision as at 1st April 2009	796,613	835,970
Deferred tax credit to profit and loss account	(25,295)	(39,357)
Provision as at 31st March 2010	<u>771,318</u>	<u>796,613</u>

23. Share capital

	2010	2009
	£	£
Allotted, called up and fully paid		
200,000 Ordinary shares £1 each	200,000	200,000
	<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 2010**

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24. Reserves	Revaluation reserve	Profit and loss account
	£	£
a) Group		
At 1st April 2009	64,714	26,787,961
Reversal of group adjustments	-	909,293
At 1st April 2009 as restated	64,714	27,697,254
Profit for the year after taxation	-	8,243,054
At 31st March 2010	<u>64,714</u>	<u>35,940,308</u>
b) Company		
At 1st April 2009	64,714	4,899,811
Profit for the year after taxation	-	130,215
At 31st March 2010	<u>64,714</u>	<u>5,030,026</u>
25. Reconciliation of movements in shareholders' funds	2010	2009
	£	£
a) Group		
Opening shareholders' funds	27,961,968	20,209,206
Group profit for the year after taxation	8,243,054	6,843,469
Reversal of group adjustments	-	909,293
Closing shareholders' funds	<u>36,205,022</u>	<u>27,961,968</u>
b) Company		
Profit for the year	130,215	68,985
Opening shareholders' funds	<u>5,164,525</u>	<u>5,095,540</u>
Closing shareholders' funds	<u>5,294,740</u>	<u>5,164,525</u>
26. Financial commitments		
At 31st March 2010 the group had annual commitments under non-cancellable operating leases as follows		
	Land and buildings	
	2010	2009
	£	£
Expiry date:		
Between one and five years	<u>105,000</u>	<u>285,000</u>

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

27. Capital commitments

There were no capital commitments either authorised or contracted for at the balance sheet date (2009 £Nil)

28. Contingent liabilities

The group has entered into performance bonds with recourse in favour of third parties. The maximum total potential liability is £14,742,094 (2009 £20,023,221). These contingent liabilities are not expected to give rise to any material loss as they are fully insured.

29. 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.

30. Post balance sheet events

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

C. J. O'Shea Group Limited

**Notes to the financial statements
for the year ended 31st March 2010**

continued

31.	Gross cash flows	2010 £	2009 £		
	Returns on investments and servicing of finance				
	Interest received	628,889	1,048,834		
	Interest paid	(181,547)	(49,396)		
	Interest element of finance lease rental payments	(48,757)	(142,178)		
	Dividends received	-	40,000		
		<u>398,585</u>	<u>897,260</u>		
	Taxation				
	Corporation tax paid	<u>(4,569,115)</u>	<u>(2,852,475)</u>		
	Capital disposals, expenditure and financial investments				
	Receipts from financing / (payments) to acquire tangible assets	(4,489,981)	239,302		
	Receipts from repayments of loan to investments	443,000	-		
	Receipts from sales of tangible assets	6,935	4,431		
		<u>(4,040,046)</u>	<u>243,733</u>		
	Acquisitions and disposals of fixed asset investments				
	Receipts from other investments for repayment of members' capital	2,838	71,341		
	Payments to other investments	-	(1,309,284)		
		<u>2,838</u>	<u>(1,237,943)</u>		
	Management of liquid resources				
	Receipts from sale of short term investments	11,793,297	4,268,616		
	Payments to acquire short term investments	(14,849,233)	(6,971,886)		
		<u>(3,055,936)</u>	<u>(2,703,270)</u>		
	Financing				
	Capital element of hire purchase contracts	<u>(1,153,800)</u>	<u>(1,458,982)</u>		
32.	Analysis of changes in net funds	Opening balance £	Cash flows £	Other changes £	Closing balance £
	Cash at bank and in hand	11,464,103	4,362,332	-	15,826,435
	Liquid resources	5,886,684	3,055,936	-	8,942,620
	Finance leases	(1,706,131)	1,153,800	-	(552,331)
	Net funds	15,644,656	8,572,068	-	24,216,724

C. J. O'Shea Group Limited

Notes to the financial statements for the year ended 31st March 2010

continued

33. Related party transactions

Group

The group had the following related party balances as follows

	Percentage Shareholding	2010 £ Owed by/ (Owed to)	2009 £ Owed by/ (Owed to)
<u>Entities under common control</u>			
Lohar Partnership LLP		(160,500)	(153,053)
<u>Fixed asset investments</u>			
Marsh Wall Chelsea LLP		(222)	-
		<u>(160,722)</u>	<u>(153,053)</u>
<u>Other related undertakings</u>			
O' Shea Homes Limited		3,515,458	3,463,121
Rayforce Construction Limited		5,047,907	4,820,534
Tramore Properties Limited	34%	379,249	377,659
		<u>8,942,614</u>	<u>8,661,314</u>

O'Shea Homes Limited and Rayforce Construction Limited are related to the group by virtue of common ownership. The group has a minority interest in Tramore Properties Limited.

During the year the group carried out contract work for the related parties as follows

Fitzroy (Heath) LLP	-	4,596
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The group also received interest from the following related parties as follows

O'Shea Homes Limited	52,337	156,250
Rayforce Construction Limited	74,654	210,481
Fitzroy (Heath) LLP	-	11,844

The group also rent to the following related party

Lohar Partnership LLP	105,000	185,000
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Company

The company had the following related party balances as follows

Group undertakings

C J O'Shea and Company Limited	100%	-	3,389,285
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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Entities under common control

Lohar Partnership LLP		(160,500)	-
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