

Company Number: 1817439

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Financial Statements

for the year ended 30th June 2002



CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Company Information

Company No: 1817439

Registered Office

Burton Road
Finedon
Northants
NN9 5HZ

Directors

R E McGowan
T J McGowan
A Morris

Secretary

T McGowan

Auditors

Berry Kearsley Stockwell & Co
Sterling House
31/32 High Street
WELLINGBOROUGH
Northants
NN8 4HL

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CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Directors' Report

for the year ended 30th June 2002

The directors submit their report together with the audited financial statements for the year ended 30th June 2002.

Directors' Statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit for that year. In preparing those financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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.

Results and Dividends

The profit on the ordinary activities of the company before taxation amounted to £368,184. After deducting taxation and dividends, the profit of £237,476 has been transferred to reserves.

The directors recommend dividends amounting to £55,200.

Principal Activity

The principal activity of the company continued to be that of building and civil engineering work.

Directors and their Interests

The directors who served during the year and their beneficial interests in the share capital of the company were as follows:

	Class A Share 2002 No	Class B Share 2002 No	Class C Share 2002 No
R E McGowan	-	1	-
T J McGowan	1	-	-
A Morris	-	-	1

	Ordinary shares of £1 2002 No.	A, B & C Class 2002 No.	Ordinary shares of £1 2001 No.
R E McGowan	20,875	1	20,875
T J McGowan	27,375	1	27,375
A Morris	1,250	1	1,250

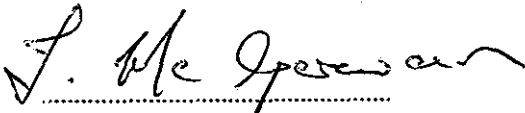
Directors' Report

for the year ended 30th June 2002

Auditors

The Auditors, Berry Kearsley Stockwell & Co, Chartered Certified Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting, under Section 385(2) of the Companies Act 1985.

By Order of the Board:


T McGowan,

Date: 28/4/03
...

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Auditors' Report to the Shareholders

on the Financial Statements for the year ended 30th June 2002

We have audited the financial statements on pages 4 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we consider 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, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Berry Kearsley Stockwell & Co
Chartered Certified Accountants
and Registered Auditors

Sterling House
31/32 High Street
Wellingborough
NN8 4HL

Date: 28/4/03

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED**Profit and Loss Account****for the year ended 30th June 2002**

	Notes	2002 £	2001 £
Work Done (adjusted for work in progress)	2	7,769,738	4,724,205
Cost of sales		(6,325,562)	(3,622,697)
Gross profit		1,444,176	1,101,508
Overhead expenses		(1,054,478)	(826,575)
Operating profit	3	389,698	274,933
Interest receivable	4	4,921	9,263
Interest payable	5	(26,435)	(28,546)
Profit on ordinary activities before Taxation		368,184	255,650
Tax on profit on ordinary activities	7	(78,508)	(51,874)
Profit on ordinary activities after Taxation		289,676	203,776
Extraordinary items		3,000	-
Profit for the financial year		292,676	203,776
Dividends		(55,200)	(70,000)
Retained profit transferred to reserves		237,476	133,776
Retained profit brought forward		528,687	394,911
Retained profit carried forward		766,163	528,687

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Balance Sheet

as at 30th June 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Fixed Assets					
Tangible fixed assets	8		1,046,958		853,377
Current Assets					
Stock		1,292,684		363,884	
Debtors	11	639,414		211,953	
Cash at bank & in hand		241,001		208,989	
		2,173,099		784,826	
Creditors:					
Amounts falling due within one year	12	(2,059,140)		(778,099)	
Net Current Assets			113,959		6,727
Total Assets Less Current Liabilities			1,160,917		860,104
Creditors:					
Amounts falling due after more than one year	13		(293,725)		(245,064)
Provision for Liabilities and Charges					
Deferred taxation	15		(51,025)		(36,353)
			816,167		578,687
Capital and Reserves					
Share capital	16		50,004		50,000
Profit and loss account			766,163		528,687
Equity Shareholders' Funds			816,167		578,687

These accounts were approved by the board on 28/4/03

J. Mc Gowan

Director

The notes on pages 6 to 10 form part of these financial statements.

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Cash Flow Statement

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

Freehold land and buildings	not depreciated
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Furniture and equipment	25% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise.

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight-line basis over the lease term.

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED**Notes to the Financial Statements****for the year ended 30th June 2002****2 Turnover**

The turnover and operating profit for the year was derived from the company's principal activity as was carried out wholly in the UK.

3 Operating Profit

The operating profit is stated after charging or crediting:

	2002	2001
	£	£
Amounts payable to the auditors in respect of audit services	4,000	4,000
Amounts payable to the auditors in respect of non-audit services	8,045	4,338
Depreciation - owned assets	193,127	160,937
Loss/(Profit) on disposal of fixed assets	25,058	(4,544)

4 Interest Receivable

	2002	2001
	£	£
Bank interest receivable	4,921	9,263

5 Interest Payable

	2002	2001
	£	£
Bank interest	127	83
Hire purchase & finance lease interest	18,068	20,223
Loan interest	8,240	8,240
	26,435	28,546

6 Directors and employees

	2002	2001
	£	£
Staff costs during the year were as follows:		
Wages and salaries	1,330,335	1,123,594
Social security costs	129,848	113,814
	1,460,183	1,237,408

7 Tax on Profit on Ordinary Activities

	2002	2001
	£	£
<i>Based on the profit for the year:</i>		
U.K. Corporation tax at 20% (2001: 20%)	59,457	49,411
Deferred tax @ 20%	16,431	2,709
Prior year adjustment	2,620	(246)
	78,508	51,874

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Notes to the Financial Statements

for the year ended 30th June 2002

8	Tangible Fixed Assets	Freehold land and buildings	Plant and machinery	Motor vehicles	Furniture and equipment	Total
	Cost	£	£	£	£	£
	At 1st July 2001	277,472	729,612	188,777	18,586	1,214,447
	Additions	3,000	377,762	53,400	10,285	444,447
	Disposals	-	(28,000)	(80,660)	-	(108,660)
	At 30th June 2002	280,472	1,079,374	161,517	28,871	1,550,234
	Depreciation					
	At 1st July 2001	-	283,004	74,822	12,040	369,866
	Charged for the year	-	156,401	33,028	3,698	193,127
	Eliminated on disposal	-	(19,150)	(40,567)	-	(59,717)
	At 30th June 2002	-	420,255	67,283	15,738	503,276
	Net Book Value					
	At 30th June 2002	280,472	659,119	94,234	13,133	1,046,958
	At 30th June 2001	277,472	446,608	113,955	6,546	844,581

9	Assets Held Under Finance Lease	2002	2001
		£	£
	Included within the net book value of fixed assets are the following amounts in respect of assets purchased on finance leases and hire purchase contracts:		
	Plant and equipment	489,637	321,972
	Motor vehicles	6,328	57,785
		495,965	379,757

10	Stocks	2002	2001
		£	£
	Work in progress	1,292,684	363,884

11	Debtors	2002	2001
		£	£
	Trade debtors	327,989	19,303
	Other debtors	51,434	36,540
	Prepayments and accrued income	259,991	156,110
		639,414	211,953

Included in other debtors is an amount due from A Morris (Director) of £9,188 (2001: Nil)

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Notes to the Financial Statements

for the year ended 30th June 2002

12 Creditors: Amounts falling due within one year	2002	2001
	£	£
Bank loan	16,000	16,000
Bank overdraft	763,068	201,783
Hire purchase	184,061	129,663
Trade creditors	879,500	237,199
Current taxation	61,216	49,411
Social security and other taxes	50,339	81,052
Other creditors	85,063	44,459
Accruals and deferred income	19,893	18,532
	<u>2,059,140</u>	<u>778,099</u>

Included in trade creditors is an amount due to McGowan (Civil Engineers) Limited of £352,500 (2001: Nil)

Obligations under hire purchase and finance lease contracts are secured on the assets concerned.

13 Creditors: Amounts falling due after one year	2002	2001
	£	£
Bank loan	110,666	126,667
Hire purchase	183,059	118,397
	<u>293,725</u>	<u>245,064</u>

Obligations under hire purchase and finance lease contracts are secured on the assets concerned.

14 Obligations Under Hire Purchase & Finance Leases	2002	2001
	£	£
Obligations under finance leases and hire purchase contracts are analysed as follows:		
Within one year	184,061	129,663
Two to five years	183,059	118,397
	<u>367,120</u>	<u>248,060</u>

Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

15 Deferred Taxation

Deferred taxation provided and unprovided for in the financial statements is set out below.

	Amount Provided	
	2002	2001
	£	£
Accelerated capital allowances	<u>51,025</u>	<u>36,353</u>

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Notes to the Financial Statements

for the year ended 30th June 2002

16 Share Capital

Authorised	2002 £	2001 £
50,000 Ordinary Shares of £1 each (2001: 50,000)	50,000	50,000
1 A Ordinary Share of £1 each (2001: Nil)	1	-
1 B Ordinary Share of £1 each (2001: Nil)	1	-
1 C Ordinary Share of £1 each (2001: Nil)	1	-
1 D Ordinary Share of £1 each (2001: Nil)	1	-
	<u>50,004</u>	<u>50,000</u>
Allotted and fully paid	2002 £	2001 £
50,000 Ordinary Shares of £1 each (2001: 50,000)	50,000	50,000
1 A Ordinary Share of £1 each (2001: Nil)	1	-
1 B Ordinary Share of £1 each (2001: Nil)	1	-
1 C Ordinary Share of £1 each (2001: Nil)	1	-
1 D Ordinary Share of £1 each (2001: Nil)	1	-
	<u>50,004</u>	<u>50,000</u>

1 A Ordinary Share, 1 B Ordinary Share, 1 C Ordinary Share and 1 D Ordinary Share of £1 each issued at par at the 30th June 2002.

17 Reconciliation of the Movement in Shareholders' Funds

	2002 £	2001 £
Profit for the financial year	292,676	203,776
Dividends	(55,200)	(70,000)
	<u>237,476</u>	<u>133,776</u>
Increase in shareholders' funds	237,476	133,776
Opening shareholders' funds	578,691	444,911
Closing shareholders' funds	<u>816,167</u>	<u>578,687</u>

18 Related Party Transactions

During the year ended 30th June 2002, the company bought goods and services amounting to £300,000 (2001: Nil) from McGowan (Civil Engineers) Limited, a company owned by the wife of Mr T McGowan, a director of this company. Included in trade creditors is an amount due to McGowan (Civil Engineers) Limited of £352,500 (2001: Nil). Also during the year the company sold assets to the directors as follows:

T.J.McGowan - £6,000
A.Morris - £10,500

Included in other debtors is an amount due from A Morris of £9,188 (2001: Nil).

These transactions are all within the ordinary course of the business and are at market value.

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED

Trading, Profit and Loss Account

for the year ended 30th June 2002

	2002 £	2002 £	2001 £	2001 £
Work Done (adjusted for work in progress)		7,769,738		4,724,205
Cost of sales				
Purchases	3,126,338		1,790,479	
Haulage	28,977		11,229	
Subcontract	2,568,352		1,522,413	
Hire of plant and equipment	334,207		164,072	
Waste disposal	252,618		114,539	
Surveying and site engineering services	15,070		19,965	
		<u>(6,325,562)</u>		<u>(3,622,697)</u>
Gross profit		1,444,176		1,101,508
Interest receivable		4,921		9,263
		<u>1,449,097</u>		<u>1,110,771</u>
Overheads				
Overhead expenses - per schedule	(1,054,478)		(826,575)	
Interest payable - per schedule	(26,435)		(28,546)	
		<u>(1,080,913)</u>		<u>(855,121)</u>
Profit on ordinary activities before Taxation		<u><u>368,184</u></u>		<u><u>255,650</u></u>

CARMAC (BUILDING AND CIVIL ENGINEERING) LIMITED**Schedules to the Trading, Profit and Loss Account****for the year ended 30th June 2002**

	2002 £	2001 £
Overhead expenses		
Directors' remuneration	188,000	216,592
Directors' social security costs	20,699	25,527
Wages and salaries	62,403	58,676
Wages and salaries social security costs	9,527	8,039
Company pension scheme	28,429	27,008
Management services	60,000	-
Motor and plant running costs	229,062	185,248
Entertaining	11,001	2,563
Auditors' remuneration	4,000	4,000
Accountancy fees	8,045	4,338
Depreciation	193,127	160,937
Loss/(Profit) on disposal of tangible fixed assets	25,058	(4,544)
Insurances	50,994	37,281
Postage, stationery and advertising	7,954	6,727
Telephone	14,084	11,946
Repairs and renewals	84,722	44,329
Plant leasing charges	7,280	14,274
Rates	7,060	6,138
Light and heat	1,531	2,904
Property repairs	1,548	1,189
Bank charges	3,250	4,947
Bad debts	23,016	3,288
General expenses	13,688	5,168
	<u>1,054,478</u>	<u>826,575</u>
Interest payable		
Bank interest	127	83
Hire Purchase interest	18,068	20,223
Loan interest	8,240	8,240
	<u>26,435</u>	<u>28,546</u>