

COMPANY REGISTRATION NUMBER 1817439

**CARMAC (BUILDING & CIVIL ENGINEERING)
LIMITED**

ABBREVIATED ACCOUNTS

FOR

30 JUNE 2003



BERRY KEARSLEY STOCKWELL & CO

Chartered Certified Accountants & Registered Auditors

Sterling House
31/32 High Street
Wellingborough
Northants
NN8 4HL

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

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CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2003.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2003 £	2002 £
Dividends paid on ordinary shares	<u>186,400</u>	<u>55,200</u>

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 30 June 2003	At 1 July 2002
R McGowan	Ordinary shares	20,875	20,875
	Class B share	1	1
T McGowan	Ordinary shares	27,375	27,375
	Class A share	1	1
A Morris	Ordinary share	1,250	1,250
	Class C share	<u>1</u>	<u>1</u>

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 9 to 10, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2003

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

AUDITORS

A resolution to re-appoint Berry Kearsley Stockwell & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Burton Road
Finedon
Northants
NN9 5HZ

Signed by order of the directors


M McGOWAN
Company Secretary

Approved by the directors on 25 March 2004

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 6 to 16, together with the financial statements of the company for the year ended 30 June 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 6 to 16 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 25 March 2004 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 June 2003, and the full text of our audit report is reproduced on pages 4 to 5 of these financial statements.



BERRY KEARSLEY STOCKWELL & CO
Chartered Certified Accountants
& Registered Auditors

Sterling House
31/32 High Street
Wellingborough
Northants
NN8 4HL

25 March 2004

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 JUNE 2003

We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

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

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

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30 JUNE 2003

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003 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
& Registered Auditors

Sterling House
31/32 High Street
Wellingborough
Northants
NN8 4HL

25 March 2004

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 JUNE 2003**

	Note	2003 £	2002 £
GROSS PROFIT		1,616,066	1,444,176
Administrative expenses		<u>1,302,550</u>	<u>1,054,478</u>
OPERATING PROFIT	2	313,516	389,698
Interest receivable	5	8,963	4,921
Interest payable	6	(37,868)	(26,435)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>284,611</u>	<u>368,184</u>
Tax on profit on ordinary activities	7	52,959	78,508
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>231,652</u>	<u>289,676</u>
Extraordinary items	8	—	(3,000)
PROFIT FOR THE FINANCIAL YEAR		<u>231,652</u>	<u>292,676</u>
Dividends	9	186,400	55,200
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>45,252</u>	<u>237,476</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 9 to 16 form part of these abbreviated accounts.

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

ABBREVIATED BALANCE SHEET

30 JUNE 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Tangible assets	10	1,126,109	1,046,958
CURRENT ASSETS			
Stocks	11	996,194	1,292,684
Debtors	12	683,421	639,414
Cash at bank		237,146	241,001
		<u>1,916,761</u>	<u>2,173,099</u>
CREDITORS: Amounts falling due within one year	13	<u>1,850,219</u>	<u>2,059,140</u>
NET CURRENT ASSETS		<u>66,542</u>	<u>113,959</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,192,651</u>	<u>1,160,917</u>
CREDITORS: Amounts falling due after more than one year	14	<u>280,275</u>	<u>293,725</u>
		<u>912,376</u>	<u>867,192</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	<u>50,957</u>	<u>51,025</u>
		<u>861,419</u>	<u>816,167</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	50,004	50,004
Profit and loss account	19	811,415	766,163
SHAREHOLDERS' FUNDS	19	<u>861,419</u>	<u>816,167</u>

The Balance sheet continues on the following page.

The notes on pages 9 to 16 form part of these abbreviated accounts.

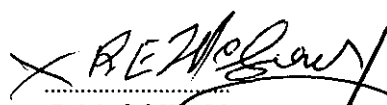
CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

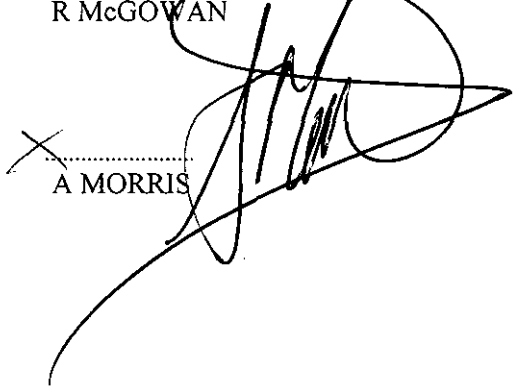
ABBREVIATED BALANCE SHEET *(continued)*

30 JUNE 2003

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on the 25 March 2004 and are signed on their behalf by:

X 
R McGOWAN

X 
A MORRIS


T McGOWAN

The notes on pages 9 to 16 form part of these abbreviated accounts.

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	straight line over revised uel of 28 years
Plant & Machinery	-	25% reducing balance
Fixtures & Fittings	-	25% straight line
Motor Vehicles	-	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

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 is measured on a discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Contribution to pension funds

The pension cost 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.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2003	2002
	£	£
Directors' emoluments	158,800	188,000
Depreciation of owned fixed assets	107,202	88,886
Depreciation of assets held under hire purchase agreements	130,850	104,241
(Profit)/Loss on disposal of fixed assets	(10,000)	25,058
Auditors' remuneration		
- as auditors	4,500	4,000
Operating lease costs:		
Plant and equipment	7,394	7,280

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

3. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	251,086	250,403
Social security costs	149,422	30,226
Other pension costs	28,561	28,429
	<u>429,069</u>	<u>309,058</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2003	2002
	£	£
Aggregate emoluments	<u>158,800</u>	<u>188,000</u>

5. INTEREST RECEIVABLE

	2003	2002
	£	£
Bank interest receivable	7,583	4,921
Other loan interest receivable	<u>1,380</u>	<u>—</u>
	<u>8,963</u>	<u>4,921</u>

6. INTEREST PAYABLE

	2003	2002
	£	£
Interest payable on bank borrowing	362	127
Finance charges	22,736	8,240
Interest on other loans	<u>14,770</u>	<u>18,068</u>
	<u>37,868</u>	<u>26,435</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2003	2002
	£	£
Current tax:		
UK Corporation tax based on the results for the year	<u>52,959</u>	<u>78,508</u>
Total current tax	<u>52,959</u>	<u>78,508</u>

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

7. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>284,611</u>	<u>368,184</u>
Profit/(loss) on ord actvs by rate of tax	—	—
First item to increase/(decrease) tax liability	(29)	2,620
Second item to increase/(decrease) tax liability	(68)	16,431
Third item to increase/(decrease) tax liability	<u>53,056</u>	<u>59,457</u>
Total current tax (note 7(a))	<u>52,959</u>	<u>78,508</u>

8. EXTRAORDINARY ITEMS

	2003 £	2002 £
Extraordinary income	<u>—</u>	<u>(3,000)</u>

9. DIVIDENDS

The following dividends have been paid in respect of the year:

	2003 £	2002 £
Dividend paid on A Ordinary shares (1 share of £1)	<u>89,200</u>	<u>29,600</u>
Dividend paid on B Ordinary shares (1 share of £1)	<u>69,200</u>	<u>14,600</u>
Dividend paid on C Ordinary shares (1 share of £1)	<u>28,000</u>	<u>11,000</u>
	<u>186,400</u>	<u>55,200</u>

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

10. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant & Machinery £	Furniture and equipment £	Motor Vehicles £	Total £
COST					
At 1 July 2002	280,472	1,079,374	28,871	161,517	1,550,234
Additions	—	229,262	106	87,835	317,203
At 30 June 2003	<u>280,472</u>	<u>1,308,636</u>	<u>28,977</u>	<u>249,352</u>	<u>1,867,437</u>
DEPRECIATION					
At 1 July 2002	—	420,255	15,738	67,283	503,276
Charge for the year	575	195,484	4,676	37,317	238,052
At 30 June 2003	<u>575</u>	<u>615,739</u>	<u>20,414</u>	<u>104,600</u>	<u>741,328</u>
NET BOOK VALUE					
At 30 June 2003	<u>279,897</u>	<u>692,897</u>	<u>8,563</u>	<u>144,752</u>	<u>1,126,109</u>
At 30 June 2002	<u>280,472</u>	<u>659,119</u>	<u>13,133</u>	<u>94,234</u>	<u>1,046,958</u>

Hire purchase agreements

Included within the net book value of £1,126,109 is £495,469 (2002 - £495,965) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £130,850 (2002 - £104,241).

11. STOCKS

	2003 £	2002 £
Work in progress	<u>996,194</u>	<u>1,292,684</u>

12. DEBTORS

	2003 £	2002 £
Trade debtors	240,969	327,989
VAT recoverable	60,855	—
Other debtors	374,341	305,504
Directors current accounts	3,114	1,734
Prepayments and accrued income	4,142	4,187
	<u>683,421</u>	<u>639,414</u>

Included in other debtors is an amount due from A Morris (Director) of £Nil(2002-£9,188)

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

13. CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	346,598	779,068
Trade creditors	1,138,734	879,500
Corporation tax	53,057	61,216
PAYE and social security	67,292	50,339
Hire purchase agreements	173,743	184,061
Other creditors	43,621	85,063
Accruals and deferred income	27,174	19,893
	<u>1,850,219</u>	<u>2,059,140</u>

Included in trade creditors is an amount due to McGowan (Civil Engineers) Limited of £629,031(2002-£352,500)

14. CREDITORS: Amounts falling due after more than one year

	2003	2002
	£	£
Bank loans and overdrafts	101,197	110,666
Hire purchase agreements	179,078	183,059
	<u>280,275</u>	<u>293,725</u>

The bank loans and overdrafts facilities are secured by:

A legal mortgage on plots 6 & 7 Nettlebush Lane, Wellingborough.

A legal mortgage on The Loaks factory, Burton Road, Finedon.

Debenture creating a fixed and floating charge over the assets of the company.

Personal guarantee.

Counter indemnity supported by a set off on a bond held in favour of a customer(Thomas Vale).

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2003	2002
	£	£
Hire purchase agreements are analysed as follows:		
Current obligations	173,743	184,061
Non-current obligations	179,078	183,059
	<u>352,821</u>	<u>367,120</u>

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

16. DEFERRED TAXATION

	2003 £	2002 £
Deferred tax provided and unprovided for in the financial statements		
Accelerated capital allowances	<u>51,025</u>	<u>36,353</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2003 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets Other Than Land & Buildings	
	2003 £	2002 £
Operating leases which expire:		
Within 1 year	7,388	3,640
Within 2 to 5 years	<u>3,694</u>	<u>—</u>
	<u>11,082</u>	<u>3,640</u>

CARMAC (BUILDING & CIVIL ENGINEERING) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

18. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
50,000 Ordinary shares shares of £1 each	50,000	50,000
1 A Ordinary share shares of £1 each	1	1
1 B Ordinary share shares of £1 each	1	1
1 C Ordinary share shares of £1 each	1	1
1 D Ordinary share shares of £1 each	1	1
	<u>50,004</u>	<u>50,004</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares shares of £1 each	50,000	50,000	50,000	50,000
A Ordinary share shares of £1 each	1	1	1	1
B Ordinary share shares of £1 each	1	1	1	1
C Ordinary share shares of £1 each	1	1	1	1
D Ordinary share shares of £1 each	1	1	1	1
	<u>50,004</u>	<u>50,004</u>	<u>50,004</u>	<u>50,004</u>

19. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital	Profit and loss account	Total share-holders' funds
	£	£	£
Balance brought forward	50,004	528,687	578,691
Retained profit for the year	—	237,476	237,476
	<u>50,004</u>	<u>766,163</u>	<u>816,167</u>
Balance brought forward	50,004	766,163	816,167
Retained profit for the year	—	45,252	45,252
	<u>50,004</u>	<u>811,415</u>	<u>861,419</u>