

Company Number: 01817439

Carmac (Building and Civil Engineering) Limited

Directors' Report and Financial Statements

for the Year Ended 30 June 2012



Carmac (Building and Civil Engineering) Limited
Contents

Company Information	1
Directors' Report	2 to 3
Independent Auditors' Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Cash Flow Statement	8 to 9
Notes to the Financial Statements	10 to 19

Carmac (Building and Civil Engineering) Limited
Company Information

Directors	R McGowan T McGowan A Morris I Finnie
Company secretary	T McGowan
Registered office	Burton Road Finedon Northamptonshire NN9 5HZ
Bankers	Yorkshire Bank 35 Sheep Street Wellingborough Northamptonshire NN8 1BS
Auditors	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL

Carmac (Building and Civil Engineering) Limited

Directors' Report for the Year Ended 30 June 2012

The directors present their report and the financial statements for the year ended 30 June 2012

Principal activity

The principal activity of the company is building and civil engineering work

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting 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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors of the company

The directors who held office during the year were as follows

R McGowan

T McGowan

A Morris

I Finnie

Dividends

Interim dividends of £167,000 (2011: £208,750) were paid in respect of the financial year ended 30 June 2012

Business review

Fair review of the business

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross margin. The turnover and gross profit are shown within the profit and loss account.

Other key financial performance indicators considered by the directors are the profitability of each individual contract at each valuation stage and the level of trade debtors in comparison to turnover.

The company's key financial and other performance indicators during the year were as follows

	Unit	2012	2011
Turnover	£	10,267,443	11,734,050
Turnover growth	%	(12)	3
Gross profit	£	1,798,192	1,890,606
Gross profit margin	%	18	16
(Loss) / profit before tax	£	(50,157)	140,600

Carmac (Building and Civil Engineering) Limited
Directors' Report for the Year Ended 30 June 2012

..... continued

Principal risks and uncertainties

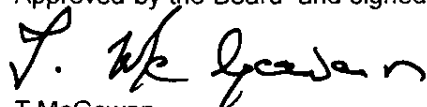
The company's principal financial risks are in trade debtors and contract profitability. The amounts presented in the balance sheet for trade debtors are net of provisions for doubtful debts. The company manages its credit risk through close monitoring of trade debtors and ongoing liaison with its customers. It also seeks to reduce dependency on any one customer.

Disclosure of information to the auditors

The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that

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

Approved by the Board and signed on its behalf by



T McGowan
Director

22 March 2013

Independent Auditor's Report to the Members of Carmac (Building and Civil Engineering) Limited

We have audited the financial statements of Carmac (Building and Civil Engineering) Limited for the year ended 30 June 2012, set out on pages 6 to 19. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors responsibilities (set out on page 2), 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 and express an opinion on 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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its loss 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 for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of
Carmac (Building and Civil Engineering) 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 returns adequate for our audit have not been received from branches not visited by us, 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

Hawsons

Richard Burkimsher

Senior Statutory Auditor

For and on behalf of Hawsons Chartered Accountants

Statutory Auditor

Jubilee House

32 Duncan Close

Moulton Park

Northampton

NN3 6WL

22 March 2013

Carmac (Building and Civil Engineering) Limited
Profit and Loss Account for the Year Ended 30 June 2012

	Note	2012 £	2011 £
Turnover		10,267,443	11,734,050
Cost of sales		<u>(8,469,251)</u>	<u>(9,843,444)</u>
Gross profit		1,798,192	1,890,606
Administrative expenses		<u>(1,836,700)</u>	<u>(1,736,548)</u>
Operating (loss)/profit	2	(38,508)	154,058
Other interest receivable and similar income	5	654	643
Interest payable and similar charges	6	<u>(12,303)</u>	<u>(14,101)</u>
(Loss)/profit on ordinary activities before taxation		(50,157)	140,600
Tax on (loss)/profit on ordinary activities	7	<u>29,925</u>	<u>(26,584)</u>
(Loss)/profit for the financial year	15	<u><u>(20,232)</u></u>	<u><u>114,016</u></u>

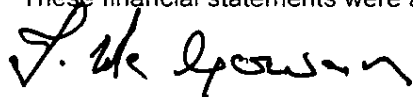
Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

Carmac (Building and Civil Engineering) Limited
(Registration number. 01817439)
Balance Sheet at 30 June 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible fixed assets	8	<u>729,964</u>	<u>772,232</u>
Current assets			
Debtors	9	2,868,077	2,688,441
Cash at bank and in hand		<u>40,759</u>	<u>81,144</u>
		2,908,836	2,769,585
Creditors Amounts falling due within one year	10	<u>(2,698,604)</u>	<u>(2,370,022)</u>
Net current assets		<u>210,232</u>	<u>399,563</u>
Total assets less current liabilities		940,196	1,171,795
Creditors Amounts falling due after more than one year	11	(84,781)	(113,618)
Provisions for liabilities	12	<u>(68,532)</u>	<u>(84,062)</u>
Net assets		<u><u>786,883</u></u>	<u><u>974,115</u></u>
Capital and reserves			
Called up share capital	13	50,004	50,004
Profit and loss account	15	<u>736,879</u>	<u>924,111</u>
Shareholders' funds	16	<u><u>786,883</u></u>	<u><u>974,115</u></u>

These financial statements were approved and authorised for issue by the Board and signed on its behalf by



T McGowan
Director

22 March 2013

Carmac (Building and Civil Engineering) Limited
Cash Flow Statement for the Year Ended 30 June 2012

Reconciliation of operating loss/profit to net cash flow from operating activities

	2012 £	2011 £
Operating (loss)/profit	(38,508)	154,058
Depreciation, amortisation and impairment charges	216,764	225,562
Profit on disposal of fixed assets	(46,740)	(32,403)
(Increase)/decrease in debtors	(165,511)	22,108
Increase in creditors	102,557	7,468
Net cash inflow from operating activities	<u>68,562</u>	<u>376,793</u>

Cash flow statement

	2012 £	2011 £
Net cash inflow from operating activities	<u>68,562</u>	<u>376,793</u>
Returns on investments and servicing of finance		
Interest received	654	643
HP and finance lease interest	(11,932)	(13,925)
Interest paid	(371)	(176)
	<u>(11,649)</u>	<u>(13,458)</u>
Taxation paid	<u>(26,730)</u>	<u>(12,261)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(105,756)	(144,101)
Sale of tangible fixed assets	110,000	102,700
	4,244	(41,401)
Equity dividends paid	<u>(167,000)</u>	<u>(208,750)</u>
Net cash (outflow)/inflow before management of liquid resources and financing	<u>(132,573)</u>	<u>100,923</u>
Financing		
Repayment of loans and borrowings	-	12,714
Repayment of capital element of finance leases and HP contracts	(136,018)	(93,767)
	<u>(136,018)</u>	<u>(81,053)</u>
(Decrease)/increase in cash	<u>(268,591)</u>	<u>19,870</u>

Carmac (Building and Civil Engineering) Limited
Cash Flow Statement for the Year Ended 30 June 2012

..... continued

Reconciliation of net cash flow to movement in net debt

	Note	2012 £	2011 £
(Decrease)/increase in cash		(268,591)	19,870
Cash outflow from repayment of loans		-	(12,714)
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>136,018</u>	<u>93,767</u>
Change in net debt resulting from cash flows	19	(132,573)	100,923
 New finance leases		 <u>(132,000)</u>	 <u>(108,850)</u>
Movement in net debt	19	(264,573)	(7,927)
Net debt at 1 July	19	<u>(316,555)</u>	<u>(308,628)</u>
Net debt at 30 June	19	<u><u>(581,128)</u></u>	<u><u>(316,555)</u></u>

Carmac (Building and Civil Engineering) Limited
Notes to the Financial Statements for the Year Ended 30 June 2012

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. Turnover and costs on contracts are recognised where the outcome of a contract is reasonably certain. Full provision is made for any losses on contracts at the point the loss is first foreseen.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Office equipment	3 years straight line

Government grants

Grants in respect of capital expenditure are credited to fixed assets and deducted from the cost of the asset to which they relate.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Long term contracts

Long-term contracts are assessed on a contract by contract basis and are valued at cost less foreseeable losses less any applicable payments on account. A reasonable proportion of turnover and related costs are recognised in the profit and loss account where the outcome of a contract can be assessed with reasonable certainty.

Deferred tax

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.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted or substantially enacted at the balance sheet date.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital element of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Carmac (Building and Civil Engineering) Limited
Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging

	2012 £	2011 £
Operating leases - plant and machinery	369,671	382,180
Operating leases - other assets	40,000	40,000
Auditor's remuneration - The audit of the company's annual accounts	6,500	6,500
Profit on sale of tangible fixed assets	(46,740)	(32,403)
Depreciation of owned assets	<u>216,764</u>	<u>225,562</u>

3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2012 No	2011 No
Administration and support	9	9
Production	<u>64</u>	<u>62</u>
	<u>73</u>	<u>71</u>

The aggregate payroll costs were as follows

	2012 £	2011 £
Wages and salaries	2,237,743	2,316,372
Social security costs	79,018	72,570
Staff pensions	<u>5,140</u>	<u>4,926</u>
	<u>2,321,901</u>	<u>2,393,868</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows

	2012 £	2011 £
Directors' remuneration (including benefits in kind)	<u>176,184</u>	<u>180,576</u>
Company contributions paid to money purchase schemes	<u>5,140</u>	<u>4,926</u>

During the year the number of directors who were accruing benefits under company pension schemes were as follows

	2012 No	2011 No
Accruing benefits under money purchase pension scheme	<u>4</u>	<u>4</u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... continued

5 Other interest receivable and similar income

	2012	2011
	£	£
Bank interest receivable	<u>654</u>	<u>643</u>

6 Interest payable and similar charges

	2012	2011
	£	£
Interest on bank borrowings	317	176
Other interest payable	54	-
Hire purchase interest	<u>11,932</u>	<u>13,925</u>
	<u>12,303</u>	<u>14,101</u>

7 Taxation

	2012	2011
	£	£
Current tax		
Corporation tax (credit)/charge	(14,125)	27,000
Adjustments in respect of previous years	<u>(270)</u>	<u>1,261</u>
UK Corporation tax	(14,395)	28,261
Deferred tax		
Origination and reversal of timing differences	<u>(15,530)</u>	<u>(1,677)</u>
Total tax on (loss)/profit on ordinary activities	<u>(29,925)</u>	<u>26,584</u>

Factors affecting current tax charge for the year

Tax on (loss)/profit on ordinary activities for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 20% (2011 - 20.75%)

The differences are reconciled below

	2012	2011
	£	£
(Loss)/profit on ordinary activities before taxation	<u>(50,157)</u>	<u>140,600</u>
Corporation tax at standard rate	(10,031)	29,174
Depreciation in excess of capital allowances	(3,869)	(3,549)
Expenses not deductible for tax purposes	285	1,103
Tax (over)/under provided in previous years	(270)	1,261
Other differences	<u>(510)</u>	<u>272</u>
Total current tax	<u>(14,395)</u>	<u>28,261</u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

8 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost				
At 1 July 2011	2,203,860	425,443	53,742	2,683,045
Additions	233,788	-	3,968	237,756
Disposals	(281,650)	-	-	(281,650)
At 30 June 2012	<u>2,155,998</u>	<u>425,443</u>	<u>57,710</u>	<u>2,639,151</u>
Depreciation				
At 1 July 2011	1,564,741	295,691	50,381	1,910,813
Charge for the year	181,575	32,436	2,753	216,764
Eliminated on disposals	(218,390)	-	-	(218,390)
At 30 June 2012	<u>1,527,926</u>	<u>328,127</u>	<u>53,134</u>	<u>1,909,187</u>
Net book value				
At 30 June 2012	<u>628,072</u>	<u>97,316</u>	<u>4,576</u>	<u>729,964</u>
At 30 June 2011	<u>639,119</u>	<u>129,752</u>	<u>3,361</u>	<u>772,232</u>

Finance lease assets

Included within the net book value of tangible fixed assets is £313,088 (2011 - £314,363) in respect of assets held under finance lease agreements. Depreciation for the year on these assets was £106,283 (2011 - £66,369)

9 Debtors

	2012 £	2011 £
Trade debtors	180,297	321,567
Amounts recoverable on long term contracts	1,704,976	1,396,336
Other debtors	938,583	939,222
Prepayments and accrued income	44,221	31,316
	<u>2,868,077</u>	<u>2,688,441</u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

10 Creditors. Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	1,761,990	1,728,587
Bank loans and overdrafts (secured)	228,206	-
Other loans	185,913	185,913
Obligations under finance lease and hire purchase contracts	122,987	98,168
Corporation tax	-	27,000
Other taxes and social security	70,383	71,526
Other creditors	154,513	129,343
Accruals and deferred income	174,612	129,485
	<u>2,698,604</u>	<u>2,370,022</u>

11 Creditors. Amounts falling due after more than one year

	2012	2011
	£	£
Obligations under finance lease and hire purchase contracts	<u>84,781</u>	<u>113,618</u>

Maturation of borrowings

Amounts repayable

	Other Loans	Bank loans and overdrafts	Obligations under finance lease contracts	2012
	£	£	£	£
In one year or less on demand	185,913	228,206	122,987	537,106
Between one and two years	-	-	63,392	63,392
Between two and five years	-	-	21,389	21,389
	<u>185,913</u>	<u>228,206</u>	<u>207,768</u>	<u>621,887</u>

	Other Loans	Bank loans and overdrafts	Obligations under finance lease contracts	2011
	£	£	£	£
In one year or less on demand	185,913	-	98,168	284,081
Between one and two years	-	-	86,137	86,137
Between two and five years	-	-	27,481	27,481
	<u>185,913</u>	<u>-</u>	<u>211,786</u>	<u>397,699</u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... continued

Security

Bank loans and overdrafts are secured via a first legal charge over 24 Thornton Road, Northampton, NN2 6LS, a property owned by a director, and by a fixed and floating charge over the assets of the company

Obligations under hire purchase contracts are secured against the assets to which the finance relates

12 Provisions

	Deferred tax £
At 1 July 2011	84,062
Credited to the profit and loss account	<u>(15 530)</u>
At 30 June 2012	<u><u>68,532</u></u>

Analysis of deferred tax

	2012 £	2011 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>68,532</u>	<u>84,062</u>
	<u><u>68,532</u></u>	<u><u>84,062</u></u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

13 Share capital

Allotted, called up and fully paid shares

	2012		2011	
	No	£	No	£
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
A Ordinary (non voting) share of £1 each	1	1	1	1
B Ordinary (non voting) share of £1 each	1	1	1	1
C Ordinary (non voting) share of £1 each	1	1	1	1
D Ordinary (non voting) share of £1 each	1	1	1	1
	<u>50,004</u>	<u>50,004</u>	<u>50,004</u>	<u>50,004</u>

Carmac (Building and Civil Engineering) Limited
Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

14 Dividends

	2012 £	2011 £
Dividend paid on A Ordinary shares at £64,000 per share (2011 - £80,000 per share)	64,000	80,000
Dividend paid on B Ordinary shares at £39,000 per share (2011 - £48,750 per share)	39,000	48,750
Dividend paid on C Ordinary shares at £64,000 per share (2011 - £80,000 per share)	64,000	80,000
	<u>167,000</u>	<u>208,750</u>

15 Reserves

	Profit and loss account £
At 1 July 2011	924,111
Loss for the year	(20,232)
Dividends	<u>(167,000)</u>
At 30 June 2012	<u>736,879</u>

16 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
(Loss)/profit attributable to the members of the company	(20,232)	114,016
Dividends	<u>(167,000)</u>	<u>(208,750)</u>
Net reduction to shareholders' funds	(187,232)	(94,734)
Shareholders' funds at 1 July 2011	<u>974,115</u>	<u>1,068,849</u>
Shareholders' funds at 30 June 2012	<u>786,883</u>	<u>974,115</u>

17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £5,140 (2011 - £4,926)

Carmac (Building and Civil Engineering) Limited
Notes to the Financial Statements for the Year Ended 30 June 2012

..... *continued*

18 Commitments

Operating lease commitments

As at 30 June 2012 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2012 £	2011 £
Land and buildings		
Within one year	<u>40,000</u>	<u>40,000</u>

19 Analysis of net debt

	At 1 July 2011 £	Cash flow £	Other non-cash changes £	At 30 June 2012 £
Cash at bank and in hand	81,144	(40,385)	-	40,759
Bank overdraft	-	(228,206)	-	(228,206)
	<u>81,144</u>	<u>(268,591)</u>	<u>-</u>	<u>(187,447)</u>
Debt due within one year	(185,913)	-	-	(185,913)
Finance leases and hire purchase contracts	(211,786)	136,018	(132,000)	(207,768)
Net debt	<u>(316,555)</u>	<u>(132,573)</u>	<u>(132,000)</u>	<u>(581,128)</u>

Carmac (Building and Civil Engineering) Limited

Notes to the Financial Statements for the Year Ended 30 June 2012

..... continued

20 Related party transactions

A loan of £216,000 was provided during 2008 by the wife of T McGowan, Mrs M McGowan. At the balance sheet date the amount due to Mrs M McGowan was £185,913 (2011 £185,913)

Rent of £40,000 (2011 £40,000) was paid to the Carmac (Building & Civil Engineering) Ltd Directors' Pension Scheme. T McGowan, Mrs M McGowan and R McGowan are all trustees of the pension scheme. At the balance sheet date the amount due to the scheme was £nil (2011 £nil)

During the year dividends of £64,000 (2011 £80,000) were paid to T McGowan, £39,000 (2011 £48,750) were paid to R McGowan and £64,000 (2011 £80,000) were paid to A Morris

Directors' loan accounts

The following balances owed to the directors were outstanding at the period end

	2012 £	2011 £
T McGowan	(6,474)	(6,474)
R McGowan	(4,950)	(5,153)
I Finnie	4,400	6,800
	<u>(7,024)</u>	<u>(4,827)</u>

No interest is charged in respect of these balances

21 Control

The company is controlled by T McGowan, R McGowan and A Morris who are directors of the company and between them own a majority of the called up ordinary share capital