REGISTERED NUMBER: 1903921

JPM AGGREGATES LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2002

Hopper Williams & Bell Limited
Registered Auditor
Chartered Accountants
Highland House
Mayflower Close
Chandler's Ford, Eastleigh
SO53 4AR

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COMPANIES HOUSE 30/07/03

JPM AGGREGATES LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2002

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COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2002

DIRECTORS:	P A Brennan Mrs L M Childerley Ms P J Marks
SECRETARY:	Mrs L M Childerley
REGISTERED OFFICE:	Spitfire Quay Hazel Road Woolston Southampton Hampshire SO19 7GB
REGISTERED NUMBER:	1903921
AUDITORS:	Hopper Williams & Bell Limited Registered Auditor Chartered Accountants Highland House Mayflower Close Chandler's Ford, Eastleigh SO53 4AR
BANKERS:	Bank of Scotland 144/148 High Street Southampton Hampshire SO14 2JF

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

The directors present their report with the financial statements of the company for the year ended 30 September 2002.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of supplier of aggregate to the builder merchants industry.

REVIEW OF BUSINESS
The results for the year and financial position of the company are as shown in the annexed financial statements.

In the opinion of the Directors the company was in a satisfactory position at the end of the year. On 19th June the company sold its goodwill and associated fixed assets for a sum considerably in excess of the net book value.

DIVIDENDS
No dividends will be distributed for the year ended 30 September 2002.

DIRECTORS
The directors during the year under review were:

P A Brennan	
S M Childerley	- resigned 19.6.02
Mrs L M Childerley	
T J May	- resigned 19.6.02
G Kendall	- resigned 19.6.02
Ms P J Marks	

The beneficial interests of the directors holding office on 30 September 2002 in the issued share capital of the company were as follows:

	30.9.02	1.10.01
Ordinary £1 shares		
P A Brennan	3,000	3,000
Mrs L M Childerley	-	-
Ms P J Marks	3,000	3,000

STATEMENT OF 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 and of the profit or loss of the company for that period. 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;
- 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 that 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.

JPM AGGREGATES LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

AUDITORS

Following conversion of our auditors Hopper Williams & Bell to a Limited company from the 1st June 2003, Hopper Williams & Bell resigned as auditors on 28/7/.....2003 and the directors appointed its successor, Hopper Williams & Bell Limited as auditors.

ON BEHALF OF THE BOARD:

.....

P A Brennan - Director

Date: 28/7/03

REPORT OF THE INDEPENDENT AUDITORS TO JPM AGGREGATES LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to nineteen, together with the full financial statements of the company for the year ended 30 September 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to nineteen are properly prepared in accordance with that provision.

Hopper Williams & Bell Limited
Registered Auditor
Chartered Accountants
Highland House
Mayflower Close
Chandler's Ford, Eastleigh
SO53 4AR

Date: 28/1/03

JPM AGGREGATES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	Notes	2002 £	2001 £
TURNOVER		**4,809,171**	5,127,287
Discontinued operations		**4,809,171**	5,127,287
Cost of sales	2	**(4,136,100)**	(4,182,920)
GROSS PROFIT	2	**673,071**	944,367
Net operating expenses	2	**(728,222)**	(780,057)
OPERATING (LOSS)/PROFIT	5	**(55,151)**	164,310
Continuing operations		**46,626**	19,719
Discontinued operations		**(101,777)**	144,591
Profit/loss on sale of intangible fixed asset	6	**1,234,336**	-
		1,179,185	164,310
Interest receivable and similar income		**13,859**	-
		1,193,044	164,310
Interest payable and similar charges	7	**(37,389)**	(64,395)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**1,155,655**	99,915
Tax on profit on ordinary activities	8	**(366,498)**	(44,117)
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		**789,157**	55,798
RETAINED PROFIT FOR THE YEAR		**£789,157**	£55,798

The notes form part of these financial statements

JPM AGGREGATES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 SEPTEMBER 2002

	2002 £	2001 £
PROFIT FOR THE FINANCIAL YEAR	**789,157**	55,798
Revaluation of Investment Property	**224,545**	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	**£1,013,702**	£55,798

The notes form part of these financial statements

JPM AGGREGATES LIMITED

ABBREVIATED BALANCE SHEET
30 SEPTEMBER 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Intangible assets	9	-	253,750
Tangible assets	10	-	1,530,502
Investments	11	**1,000,000**	-
		1,000,000	1,784,252
CURRENT ASSETS			
Stocks	12	-	149,860
Debtors	13	**245,049**	1,487,821
Cash at bank and in hand		**1,301,983**	1,122
		1,547,032	1,638,803
CREDITORS			
Amounts falling due within one year	14	**(1,168,316)**	(2,674,253)
NET CURRENT ASSETS/(LIABILITIES)		**378,716**	(1,035,450)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,378,716**	748,802
CREDITORS			
Amounts falling due after more than one year	15	-	(383,788)
		£1,378,716	£365,014
CAPITAL AND RESERVES			
Called up share capital	19	**20,092**	20,092
Share premium	20	**47,413**	47,413
Revaluation reserve	20	**236,809**	12,264
Profit and loss account	20	**1,074,402**	285,245
SHAREHOLDERS' FUNDS	21	**£1,378,716**	£365,014

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

ON BEHALF OF THE BOARD:

.....
P A Brennan - Director

Approved by the Board on 28/7/03

The notes form part of these financial statements

JPM AGGREGATES LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	Notes	2002 £	2001 £
Net cash inflow from operating activities	1	**150,518**	548,708
Returns on investments and servicing of finance	2	**(23,530)**	(64,395)
Taxation		**(60,000)**	(8,157)
Capital expenditure	2	**2,092,090**	(455,424)
		2,159,078	20,732
Financing	2	**(758,349)**	(58,050)
Increase/(Decrease) in cash in the period		**£1,400,729**	£(37,318)
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		**1,400,729**	(37,318)
Cash outflow from decrease in debt and lease financing		**872,387**	58,050
Change in net debt resulting from cash flows		**2,273,116**	20,732
Movement in net debt in the period		**2,273,116**	20,732
Net debt at 1 October		**(1,007,666)**	(1,028,398)
Net funds/(debt) at 30 September		**£1,265,450**	£(1,007,666)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2002

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Year ended 30 September 2002

	Continuing	**Discontinued**	**Total**
	£	**£**	**£**
Operating (loss)/profit	**46,626**	**(101,777)**	**(55,151)**
Depreciation charges	**-**	**156,480**	**156,480**
Profit on disposal of fixed assets	**-**	**(5,437)**	**(5,437)**
Decrease in stocks	**-**	**149,860**	**149,860**
Decrease in debtors	**-**	**1,242,772**	**1,242,772**
(Decrease)/Increase in creditors	**24,861**	**(1,362,867)**	**(1,338,006)**
Net cash inflow from continuing operating activities	**71,487**		
Net cash inflow from discontinued operating activities		**79,031**	
Net cash inflow from operating activities			**150,518**

Year ended 30 September 2001

	Continuing	Discontinued	Total
	£	£	£
Operating (loss)/profit	19,719	144,591	164,310
Depreciation charges	-	185,988	185,988
Loss on disposal of fixed assets	-	384	384
Decrease in stocks	-	26,221	26,221
Increase in debtors	-	(270,864)	(270,864)
(Decrease)/Increase in creditors	(1,758)	444,427	442,669
Net cash inflow from continuing operating activities	17,961		
Net cash inflow from discontinued operating activities		530,747	
Net cash inflow from operating activities			548,708

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	**13,859**	-
Interest paid	**(18,883)**	(37,028)
Interest element of hire purchase payments	**(18,506)**	(27,367)
Net cash outflow for returns on investments and servicing of finance	**(23,530)**	(64,395)
Capital expenditure		
Purchase of tangible fixed assets	**(205,062)**	(456,174)
Sale of intangible fixed assets	**1,478,086**	-
Sale of tangible fixed assets	**819,066**	750
Net cash inflow/(outflow) for capital expenditure	**2,092,090**	(455,424)
Financing		
Loan repayments in year	**(3,719)**	(50,432)
Capital repayments in year	**(484,880)**	228,382
Other long-term creditors	**(269,750)**	(236,000)
Net cash outflow from financing	**(758,349)**	(58,050)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.10.01 £	Cash flow £	At 30.9.02 £
Net cash:			
Cash at bank and in hand	**1,122**	**1,300,861**	**1,301,983**
Bank overdraft	**(136,401)**	**99,868**	**(36,533)**
	(135,279)	**1,400,729**	**1,265,450**
Debt:			
Hire purchase	**(484,880)**	**484,880**	-
Debts falling due within one year	**(3,719)**	**3,719**	-
Debts falling due after one year	**(383,788)**	**383,788**	-
	(872,387)	**872,387**	-
Total	**(1,007,666)**	**2,273,116**	**1,265,450**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill
Purchased goodwill is capitalised and amortised over 20 years, which is, in the opinion of the directors, its useful economic life.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold building	- 2% Straight line
Plant and machinery	- 25% Reducing balance
Motor vehicles	- 25% Reducing balance
Equipment	- 20% Straight line

No depreciation is charged on freehold land.

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

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions
The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Investment properties
Investment properties are revalued periodically and are shown in the accounts at the latest valuation. Net surpluses are credited to the revaluation reserves.

2. ANALYSIS OF OPERATIONS

	2002 Continuing £	2002 Discontinued £	2002 Total £
Cost of sales	-	4,136,100	4,136,100
Gross profit	-	673,071	673,071
Net operating expenses:			
Administrative expenses	6,000	775,748	781,748
Other operating income (see note 3)	(52,626)	(900)	(53,526)
	(46,626)	774,848	728,222

	2001 Continuing £	2001 Discontinued £	2001 Total £
Cost of sales	-	4,182,920	4,182,920
Gross profit	-	944,367	944,367
Net operating expenses:			
Administrative expenses	4,500	800,976	805,476
Other operating income (see note 3)	(24,219)	(1,200)	(25,419)
	(19,719)	799,776	780,057

3. OTHER OPERATING INCOME

	2002 £	2001 £
Rents received	52,626	24,219
Management charges receivable	900	1,200
	53,526	25,419

4. STAFF COSTS

	2002 £	2001 £
Wages and salaries	742,551	801,130
Social security costs	59,993	63,998
Other pension costs	11,020	10,197
	813,564	875,325

4. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2002	2001
Production staff	**51**	31
Administrative staff	**12**	16
	63	47

5. OPERATING (LOSS)/PROFIT

The operating loss (2001 - operating profit) is stated after charging:

	2002	2001
	£	£
Other operating leases	**43,330**	30,331
Depreciation - owned assets	**53,819**	69,098
Depreciation - assets on hire purchase contracts	**92,660**	101,890
(Profit)/Loss on disposal of fixed assets	**(5,437)**	384
Goodwill written off	**10,000**	15,000
Auditors remuneration	**7,000**	6,950
Capital deposit on robot written off	**-**	15,000
Directors' emoluments	**86,133**	90,933
Directors' pension contributions to money purchase schemes	**11,020**	10,197
Compensation to directors for loss of office	**20,000**	-

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	**3**	3

The exceptional item in 2001, amounting to £15,000 relates to a write off of a deposit on an automated bagging machine, which was not been refunded.

6. EXCEPTIONAL ITEMS

The profit on sale of operation of £1,234,336 relates to sale of the company's goodwill and associated fixed assets, stock and prepayments on 19th June 2002.

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank interest	**21,953**	29,506
Interest on late payment of tax	**-**	84
Loan interest payable	**(3,070)**	7,438
HP / Finance lease charges	**18,506**	27,367
	37,389	64,395

8. TAXATION

Analysis of the tax charge
The tax charge on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	**366,381**	59,883
Prior year over/under provision	**117**	-
Total current tax	**366,498**	59,883
Deferred taxation	-	(15,766)
Tax on profit on ordinary activities	**366,498**	44,117

UK corporation tax has been charged at 29.47% (2001 - 20%).

Factors affecting the tax charge
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	**1,155,655**	99,915
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 29.467% (2001 - 20%)	**340,537**	19,983
Effects of:		
Expenses not deductible for tax purposes	**17,186**	7,230
Adjustments for unprovided tax in prior years	**117**	-
Deferred tax asset not provided on current year	**(24,317)**	32,670
Excess of capital gain over profit on disposal	**32,975**	-
Current tax charge	**366,498**	59,883

9. INTANGIBLE FIXED ASSETS

	Goodwill £
COST:	
At 1 October 2001	300,000
Disposals	(300,000)
At 30 September 2002	-
AMORTISATION:	
At 1 October 2001	46,250
Charge for year	10,000
Eliminated on disposal	(56,250)
At 30 September 2002	-
NET BOOK VALUE:	
At 30 September 2002	-
At 30 September 2001	253,750

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Equipment £	Totals £
COST:					
At 1 October 2001	800,373	798,509	250,083	102,581	1,951,546
Additions	30,699	167,088	-	7,275	205,062
Disposals	-	(963,879)	(250,083)	(111,574)	(1,325,536)
Reclassification/transfer	(831,072)	(1,718)	-	1,718	(831,072)
At 30 September 2002	-	-	-	-	-
DEPRECIATION:					
At 1 October 2001	43,455	258,618	87,462	31,509	421,044
Charge for year	12,161	92,091	27,138	15,089	146,479
Eliminated on disposal	-	(350,326)	(114,600)	(46,981)	(511,907)
Reclassification/transfer	(55,616)	(383)	-	383	(55,616)
At 30 September 2002	-	-	-	-	-
NET BOOK VALUE:					
At 30 September 2002	-	-	-	-	-
At 30 September 2001	756,918	539,891	162,621	71,072	1,530,502

10. TANGIBLE FIXED ASSETS - continued

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2002 £	2001 £
NBV of revalued tangible fixed asset:		
Net book value at year end	-	586,125
Historical Cost		
At 1st October 2001	**864,292**	864,292
Transferred	**(864,292)**	-
As at 30th September 2002	-	864,292
Depreciation		
At 1st October 2001	**315,885**	306,053
Charge for year	**9,832**	9,832
Transferred	**(325,717)**	-
As at 30th September 2002	-	315,885
Net historical cost value		
At 1st October 2001	**548,407**	558,239
As at 30th September 2002	-	548,407

The net book value of tangible fixed assets includes £0 (2001 - £584,877) in respect of assets held under hire purchase contracts.

11. FIXED ASSET INVESTMENTS

	Investment Property £
Cost	
Transfer	775,455
Revaluations:	224,545
	1,000,000
Comprising:	
Addition	775,455
Valuations:	
2002	224,545
	1,000,000

11. **FIXED ASSET INVESTMENTS - continued**

The investment property was revalued on 30th September 2002 by the directors of the company, using an open market valuation basis.

12. **STOCKS**

	2002	2001
	£	£
Stocks	-	149,860

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Trade debtors	**182,847**	1,393,172
Other debtors	**57,907**	70,799
VAT	**4,295**	2,435
Prepayments and accrued income	-	21,415
	245,049	1,487,821

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Bank loans and overdrafts (see note 16)	**36,533**	140,120
Hire purchase contracts (see note 17)	-	484,880
Trade creditors	**99,442**	989,878
Taxation	**366,381**	59,883
Social security and other taxes	**768**	21,616
Other creditors	**126,277**	561,537
Amounts owed to L R Marks	**350,038**	236,000
Directors' current accounts	**67,649**	76,300
Accruals and deferred income	**121,228**	104,039
	1,168,316	2,674,253

Included within other creditors for the company is an amount of £224 (2001 - £556,975), which is secured, on the trade debtors of the company.

15. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2002	2001
	£	£
Amounts owed to L R Marks	-	383,788

16. LOANS

An analysis of the maturity of loans is given below:

	2002	2001
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	36,533	136,401
Bank loans	-	3,719
	36,533	140,120

17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2002	2001
	£	£
Net obligations repayable:		
Within one year	-	484,880

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2002	2001	2002	2001
	£	£	£	£
Expiring:				
Within one year	-	17,500	-	30,996
In more than five years	-	30,300	-	-
	-	47,800	-	30,996

18. SECURED DEBTS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdraft	36,533	136,401
Bank loans	-	3,719
Hire purchase contracts	-	484,880
	36,533	625,000

19. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2002 £	2001 £
100,000	Ordinary	£1	**100,000**	100,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
20,092	Ordinary	£1	**20,092**	20,092

20. RESERVES

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1 October 2001	**285,245**	**47,413**	**12,264**	**344,922**
Retained profit for the year	**789,157**	**-**	**-**	**789,157**
Revaluation of fixed assets	**-**	**-**	**224,545**	**224,545**
At 30 September 2002	**1,074,402**	**47,413**	**236,809**	**1,358,624**

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Profit for the financial year	**789,157**	55,798
Other recognised gains and losses relating to the year (net)	**224,545**	-
Net addition to shareholders' funds	**1,013,702**	55,798
Opening shareholders' funds	**365,014**	309,216
Closing shareholders' funds	**1,378,716**	365,014
Equity interests	**1,378,716**	365,014