

CREST BUILDING PRODUCTS LIMITED

ABBREVIATED

REPORTS AND ACCOUNTS

for the year ended

31st May 1998

REGISTERED NUMBER

2484708

DIRECTORS

A.B.G. van Huet  
S.D. Pearson  
Mrs. J.S. Pearson  
Mrs. J. van Huet

SECRETARY

S.D. Pearson

REGISTERED OFFICE

115 Crockhamwell Road  
Woodley  
Reading RG5 3JP

AUDITORS

Holland, MacLennan & Co.  
Chartered Accountants  
115 Crockhamwell Road  
Woodley  
Reading RG5 3JP



# CREST BUILDING PRODUCTS LIMITED

## REPORT OF THE DIRECTORS

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For the year ended 31st May 1998

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The directors present their report and the audited accounts for the year ended 31st May 1998.

### RESPONSIBILITIES OF THE DIRECTORS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- presume that the company is carrying on business as a going concern, unless it is inappropriate to do so.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company and which enable them to ensure that the accounts 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.

### BUSINESS REVIEW

The principal activity of the company during the year was the design, manufacture and distribution of building products; its subsidiaries are engaged in the same activity and as roofing contractors. There have been no significant changes during the period and the directors are not aware of any circumstances which would prevent the company from continuing the same activity in future.

The result for the year was a profit after taxation of £57,827. The directors recommend that the profit after the payment of a final dividend of £45,000 (£5.625 per share) is transferred to reserves.

### FIXED ASSETS

All changes in the fixed assets of the company during the year are set out in Note 1 to the accounts.

CREST BUILDING PRODUCTS LIMITED

REPORT OF THE DIRECTORS (continued)

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For the year ended 31st May 1998

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DIRECTORS

The following directors served during the year. Their interests in the shares of the company at the beginning and end of the year were:

|                   | <u>1998</u> | <u>1997</u> |
|-------------------|-------------|-------------|
| A.B.G. van Huet   | 4,000       | 4,000       |
| S.D. Pearson      | 4,000       | 4,000       |
| Mrs. J. van Huet  | -           | -           |
| Mrs. J.S. Pearson | -           | -           |

AUDITORS

A resolution for the re-appointment of Holland, MacLennan & Co. as auditors of the company will be put to the Annual General Meeting.

Approved by the board of directors on 29th March 1999 and signed on its behalf :

  
\_\_\_\_\_  
S.D. Pearson  
Secretary

CREST BUILDING PRODUCTS LIMITED

REPORT OF THE AUDITORS  
under section 247B of the Companies Act 1985

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For the year ended 31st May 1998

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We have examined the abbreviated accounts set out on pages 5 to 12, together with the financial statements of the company prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and 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 sections 246A(3) of the Act to the registrar of companies and whether the accounts are properly prepared in accordance with those provisions 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 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 deliver abbreviated accounts prepared in accordance with sections 246A(3) of the Companies Act 1985 and the abbreviated accounts on pages 5 to 12 have been properly prepared in accordance with those provisions.



Holland, MacLennan & Co.  
Chartered Accountants and  
Registered Auditor

29th March 1999

# CREST BUILDING PRODUCTS LIMITED

## ACCOUNTING POLICIES

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For the year ended 31st May 1998

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### BASIS OF ACCOUNTING

Items are recorded in the accounts at their original cost at the time of the transaction with the modification that the freehold property has been included at its market value. The accounts have been prepared in accordance with UK accounting standards.

Group accounts have not been prepared because the group headed by the company qualifies as medium sized; these accounts present information about the company as an individual undertaking and not about its group.

### DEPRECIATION

The market value of the freehold property used by the business is being depreciated by equal annual instalments over its anticipated useful life of 25 years.

The freehold investment property, which has been included in the accounts at its market value, has not been depreciated; this is a breach of the statutory requirement to depreciate fixed assets over their useful economic lives, but is necessary to give a true and fair view in compliance with the applicable accounting standard. The valuation takes into account the condition of the property and the amount of depreciation cannot be identified separately.

Depreciation of other tangible fixed assets is calculated at the following rates on the net book value brought forward from the previous year, with a full charge being made in the year of acquisition based on the cost and no charge in the year of disposal:

|                     |     |
|---------------------|-----|
| Motor vehicles      | 25% |
| Fixtures & Fittings | 15% |
| Office Equipment    | 25% |

### LEASES & HIRE PURCHASE

Assets acquired on finance leases or hire purchase contracts are capitalised as fixed assets at the commencement of the contract at their basic cost excluding finance charges and are depreciated at the appropriate rate for the type of asset or over the period of the lease if shorter. The difference between the contractual payments and the basic cost is amortised as finance charges over the period of each contract at a constant rate. The outstanding liabilities on the contracts are shown net of finance charges as part of creditors. Rentals payable for assets held on operating leases are charged by equal instalments over the period of the lease.

### STOCK

Stock is valued at the lower of cost and net realisable value.

CREST BUILDING PRODUCTS LIMITED

ACCOUNTING POLICIES (continued)

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For the year ended 31st May 1998

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FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into £ sterling at the rate of exchange prevailing at the time; balances outstanding at the end of the period are adjusted to the rate prevailing on the accounting date.

PENSIONS

The company has a defined contribution pension scheme, which is administered independently in a separate fund. The cost of the company's contributions to the scheme has been charged in the accounts for the year when incurred.

DEFERRED TAXATION

No provision has been made for the taxation effect of timing differences, because no material liability is expected to crystallise.

## CREST BUILDING PRODUCTS LIMITED

## BALANCE SHEET

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31st May 1998

|                                                         | Note | £         | 1998            | £ | £               | 1997           | £ |
|---------------------------------------------------------|------|-----------|-----------------|---|-----------------|----------------|---|
| <b>FIXED ASSETS</b>                                     |      |           |                 |   |                 |                |   |
| Tangible assets                                         | 1    |           | 564,867         |   |                 | 569,773        |   |
| Investments                                             | 2    |           | 68,020          |   |                 | 68,020         |   |
|                                                         |      |           | <u>632,887</u>  |   |                 | <u>637,793</u> |   |
| <b>CURRENT ASSETS</b>                                   |      |           |                 |   |                 |                |   |
| Stocks                                                  | 3    | 26,609    |                 |   | 5,387           |                |   |
| Debtors                                                 | 4    | 236,020   |                 |   | 100,074         |                |   |
| Cash at bank and in hand                                |      | 163       |                 |   | 166             |                |   |
|                                                         |      |           | <u>262,792</u>  |   | <u>105,627</u>  |                |   |
| CREDITORS: amounts falling due within one year          | 5    | (422,671) |                 |   | (251,482)       |                |   |
| NET CURRENT LIABILITIES                                 |      |           | (159,879)       |   | (145,855)       |                |   |
| TOTAL ASSETS LESS CURRENT LIABILITIES                   |      |           | 473,008         |   | 491,938         |                |   |
| CREDITORS: amounts falling due after more than one year | 5    |           | (152,667)       |   | (184,424)       |                |   |
| NET ASSETS                                              |      |           | <u>£320,341</u> |   | <u>£307,514</u> |                |   |
| <b>CAPITAL AND RESERVES</b>                             |      |           |                 |   |                 |                |   |
| Called up share capital                                 | 6    |           | 8,000           |   | 8,000           |                |   |
| Revaluation reserve                                     |      |           | 210,965         |   | 210,965         |                |   |
| Profit and loss account                                 |      |           | 101,376         |   | 88,549          |                |   |
| SHAREHOLDERS' FUNDS                                     |      |           | <u>£320,341</u> |   | <u>£307,514</u> |                |   |

These abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies, were approved by the board of directors on 29th March 1999 and signed on its behalf by S.D. Pearson, Director :



The attached notes form an integral part of these accounts.

CREST BUILDING PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT

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For the year ended 31st May 1998

|                                                  | <u>Note</u> | <u>1998</u><br>£ | <u>1997</u><br>£ |
|--------------------------------------------------|-------------|------------------|------------------|
| GROSS PROFIT                                     |             | 221,757          | 105,302          |
| Distribution costs                               |             | ( 88,004)        | ( 9,525)         |
| Administrative expenses                          | 8           | (158,530)        | (120,869)        |
| Other operating income                           |             | 61,526           | 64,679           |
| OPERATING PROFIT                                 |             | 36,749           | 39,587           |
| Dividends from group undertaking                 |             | 45,000           | -                |
| Exchange rate gains                              |             | 7,012            | 81               |
| Interest payable                                 |             | ( 28,006)        | ( 17,669)        |
| PROFIT ON ORDINARY ACTIVITIES<br>BEFORE TAXATION |             | 60,755           | 21,999           |
| Tax on ordinary activities                       | 9           | ( 2,928)         | ( 5,548)         |
| PROFIT FOR THE FINANCIAL YEAR                    |             | 57,827           | 16,451           |
| Retained profit, brought forward                 |             | 88,549           | 72,098           |
| Dividends paid                                   |             | ( 45,000)        | -                |
| RETAINED PROFIT, carried forward                 |             | <u>£101,376</u>  | <u>£ 88,549</u>  |

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31st May 1998

The company has no recognised gains or losses other than the profit for the financial year.

The attached notes form an integral part of these accounts.

## CREST BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

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For the year ended 31st May 1998

## 1. FIXED ASSETS

|                    | <u>Tangible<br/>Total</u><br>£ | <u>Freehold<br/>Property</u><br>£ | <u>Motor<br/>Vehicles</u><br>£ | <u>Plant</u><br>£ | <u>Office<br/>Equipment</u><br>£ |
|--------------------|--------------------------------|-----------------------------------|--------------------------------|-------------------|----------------------------------|
| Cost or valuation: |                                |                                   |                                |                   |                                  |
| Brought forward    | 609,801                        | 540,000                           | 23,683                         | 37,012            | 9,106                            |
| Additions          | 11,048                         | -                                 | -                              | -                 | 11,048                           |
| Carried forward    | <u>620,849</u>                 | <u>540,000</u>                    | <u>23,683</u>                  | <u>37,012</u>     | <u>20,154</u>                    |
| Depreciation:      |                                |                                   |                                |                   |                                  |
| Brought forward    | 40,028                         | 4,600                             | 5,920                          | 23,562            | 5,946                            |
| Charge for year    | 15,954                         | 4,600                             | 4,440                          | 3,362             | 3,552                            |
| Carried forward    | <u>55,982</u>                  | <u>9,200</u>                      | <u>10,360</u>                  | <u>26,924</u>     | <u>9,498</u>                     |
| Net Book Value:    |                                |                                   |                                |                   |                                  |
| Brought forward    | <u>£569,773</u>                | <u>535,400</u>                    | <u>17,763</u>                  | <u>13,450</u>     | <u>3,160</u>                     |
| Carried forward    | <u>£564,867</u>                | <u>530,800</u>                    | <u>13,323</u>                  | <u>10,088</u>     | <u>10,656</u>                    |

The freehold property, which is included above at its open market value, is comprised of:

|                               | <u>Valuation</u> |                 | <u>Cost</u>     |                 |
|-------------------------------|------------------|-----------------|-----------------|-----------------|
|                               | <u>1998</u>      | <u>1997</u>     | <u>1998</u>     | <u>1997</u>     |
| Property used by the business | 115,000          | 115,000         | 98,750          | 98,750          |
| Investment property           | 425,000          | 425,000         | 230,285         | 230,285         |
|                               | <u>£540,000</u>  | <u>£540,000</u> | <u>£329,035</u> | <u>£329,035</u> |

The property used by the business was valued in 1997. Of the two investment properties, one was valued in 1995 at £275,000 and the other was valued in 1997 at £150,000.

The net book value of assets held under finance leases or on hire purchase contracts and included above is £13,167 (1997, £17,556) and the depreciation charged in respect of them for the year was £4,389 (1997, £5,852).

## CREST BUILDING PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (continued)

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For the year ended 31st May 1998

## 2. INVESTMENTS

The investments of £68,020 (1997, £68,020) are the cost of holdings of ordinary shares in the following group companies:

|                                          | <u>Crest Roofing Ltd</u> |             | <u>Crest Unidek Ltd</u> |             |
|------------------------------------------|--------------------------|-------------|-------------------------|-------------|
|                                          | <u>1998</u>              | <u>1997</u> | <u>1998</u>             | <u>1997</u> |
| Cost                                     | £ 67,950                 | £ 67,950    | £ 70                    | £ 70        |
| Proportion of shares held                | 90%                      | 90%         | 70%                     | 70%         |
| Capital and reserves<br>at 31st May 1998 | £233,083                 | £165,870    | £ 6,391                 | £( 72)      |
| Profit/(loss) for the year               | £117,213                 | £ 26,732    | £ 6,463                 | £( 172)     |

Crest Roofing Limited holds 80% (1997, 80%) of the ordinary shares of Crown Roofing (Centres) Limited; its aggregate capital and reserves at 31st May 1998 were £97,918 (1997, £54,243) and its profit for the year was £43,675 (1997, 11 months, £8,142).

## 3. STOCKS

|                  | <u>1998</u> | <u>1997</u> |
|------------------|-------------|-------------|
| Goods for resale | £ 26,609    | £ 5,387     |

## 4. DEBTORS

|                                |                 |                 |
|--------------------------------|-----------------|-----------------|
| Trade debtors                  | 121,475         | 75,197          |
| Owed by group companies        | 107,144         | 17,097          |
| Other debtors                  | -               | 85              |
| Prepayments and accrued income | 7,401           | 7,695           |
|                                | <u>£236,020</u> | <u>£100,074</u> |

## 5. CREDITORS

| Amounts falling due:         | <u>Within 1 year</u> |                 | <u>After 1 year</u> |                 |
|------------------------------|----------------------|-----------------|---------------------|-----------------|
|                              | <u>1998</u>          | <u>1997</u>     | <u>1998</u>         | <u>1997</u>     |
| Bank loans                   | 32,035               | 30,627          | 152,667             | 176,170         |
| Bank overdraft               | 106,222              | 85,963          | -                   | -               |
| Trade creditors              | 167,293              | 74,845          | -                   | -               |
| Loans from directors         | 54,819               | 9,819           | -                   | -               |
| Corporation tax              | 2,928                | 5,587           | -                   | -               |
| Taxation and social security | 26,600               | 14,937          | -                   | -               |
| Hire purchase payments (net) | 8,254                | 9,004           | -                   | 8,254           |
| Other creditors              | 500                  | 238             | -                   | -               |
| Accruals and deferred income | 24,020               | 20,462          | -                   | -               |
|                              | <u>£422,671</u>      | <u>£251,482</u> | <u>£152,667</u>     | <u>£184,424</u> |

CREST BUILDING PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued)

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For the year ended 31st May 1998

CREDITORS (continued)

The total includes £290,924 (1997, £292,760) which is secured on assets of the company and £31,400 (1997, £53,662) repayable by instalments of £951 a month falling due after 5 years, on which interest is payable at 2½% over the bank's base rate.

Creditors include loans from directors of £31,683 (1997, £9,183) from A.B.G. van Huet and £23,136 (1997, £636) from S.D. Pearson; the loans are repayable on demand and no interest is charged.

6. SHARE CAPITAL

|                                     | <u>1998</u> | <u>1997</u> |
|-------------------------------------|-------------|-------------|
| Authorised:                         |             |             |
| Ordinary shares of £1 each          | £ 10,000    | £ 10,000    |
| Allotted, called up and fully paid: |             |             |
| Ordinary shares of £1 each          | £ 8,000     | £ 8,000     |

7. SHAREHOLDERS' FUNDS

|                               |                 |                 |
|-------------------------------|-----------------|-----------------|
| Profit for the financial year | 57,827          | 16,451          |
| Dividends paid                | ( 45,000)       | -               |
| Net movement                  | 12,827          | 16,451          |
| Opening balance               | 307,514         | 291,063         |
| Closing balance               | <u>£320,341</u> | <u>£307,514</u> |

8. ADMINISTRATIVE EXPENSES

The total includes:

|                                       |          |          |
|---------------------------------------|----------|----------|
| Depreciation of tangible fixed assets | £ 15,954 | £ 16,057 |
| Auditors' remuneration:               |          |          |
| - for audit services                  | £ 850    | £ 850    |
| - for other services                  | £ 2,420  | £ 1,900  |

9. TAX

The charge is comprised entirely of corporation tax at the rate of 21% (1997, 23½%).

10. PENSION CONTRIBUTIONS

The company paid £3,082 (1997, £1,290) into the company pension scheme during the year.

CREST BUILDING PRODUCTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued)

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For the year ended 31st May 1998

11. STAFF

|                         | <u>1998</u>     | <u>1997</u>     |
|-------------------------|-----------------|-----------------|
| Wages and salaries      | 80,470          | 45,083          |
| Social security costs   | 8,228           | 3,653           |
| Pension costs           | 3,082           | 1,290           |
|                         | <u>£ 91,780</u> | <u>£ 50,026</u> |
| Average number employed | <u>6</u>        | <u>4</u>        |

12. CONTROLLING INTEREST

The company is controlled by its directors, A.B.G. van Huet and S.D. Pearson

13. TRANSACTIONS WITH RELATED COMPANIES

The company charged its subsidiaries, Crest Roofing Limited, Crest Unidek Limited and Crown Roofing (Centres) Limited, the following amounts during the year:

|                               | <u>Roofing</u>  | <u>Unidek</u> | <u>Crown</u> |
|-------------------------------|-----------------|---------------|--------------|
| Materials                     | 111,012         | -             | -            |
| Administration                | 12,500          | 1,600         | 6,200        |
| Total value of transactions   | <u>£123,512</u> | <u>1,600</u>  | <u>6,200</u> |
| Balances due at 31st May 1998 | <u>£106,322</u> | <u>-</u>      | <u>£ 822</u> |