

SEH (ASPHALT) LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

PKF



SEH (ASPHALT) LIMITED

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SEH (ASPHALT) LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2000

The directors submit their report and the financial statements for the year ended 31 December 2000.

Results and dividends

The profit for the year, after taxation, amounted to £162,401 (1999 - £240,676).

The directors recommend a dividend of £32,480 leaving a balance of £129,921 which is transferred to retained reserves.

Principal activity and review of business

The principal activity of the company during the year was that of surfacing contractors. The directors are satisfied with the results for the year and expect them to continue and in addition will pursue all opportunities to further the business as they become available.

Directors

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year (or date of appointment, if later) were:

	Ordinary £1 shares	
	2000	1999
C H R Hewitt	-	-
G E Emmerson	-	-
D Brown	6,250	6,250
D Bates	6,250	6,250

At the year end G E Emmerson owned 9,314 (1999 : 9,314) £1 ordinary shares and 224,424 (1999 : 224,424) £1 preference shares in the ultimate parent company SEH (Holdings) Limited.

In addition G E Emmerson is a trustee of a discretionary trust which holds 9,388 (1999 : 9,388) £1 ordinary shares in the ultimate parent company SEH (Holdings) Limited.

At the year end C H R Hewitt owned 168,318 (1999 : 168,318) £1 preference shares in the ultimate parent company SEH (Holdings) Limited.

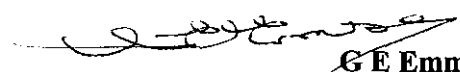
In addition C H R Hewitt is a trustee of a discretionary trust which holds 56,106 (1999 : 56,106) £1 preference shares and 18,702 (1999 : 18,702) £1 ordinary shares in the ultimate parent company SEH (Holdings) Limited.

During the year, no right to subscribe for shares or debentures in the company was granted or exercised by any of the company's directors.

Auditors

The auditors, PKF, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

By order of the board


G E Emmerson
Director

**AUDITORS' REPORT TO
SEH (ASPHALT) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 3 to 13 together with the financial statements of the company for the year ended 31 December 2000 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 section 246A(3) of the Act to the registrar and whether the accounts 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 considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 Companies Act 1985 and the abbreviated accounts on pages 3 to 13 are properly prepared in accordance with that provision.



Ipswich
30 March 2001

PKF
Registered Auditors

SEH (ASPHALT) LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2000

	Notes	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
GROSS PROFIT		622,292	852,191
Administrative expenses		(384,074)	(502,504)
OPERATING PROFIT	2	238,218	349,687
Interest receivable and similar items	5	6,066	9,013
Interest payable and similar items	6	(9,144)	(8,903)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		235,140	349,797
TAXATION	7	(72,739)	(109,121)
PROFIT FOR THE FINANCIAL YEAR		162,401	240,676
DIVIDENDS		(32,480)	(88,885)
		129,921	151,791

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

SEH (ASPHALT) LIMITED
BALANCE SHEET
31 DECEMBER 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible	8	271,539	177,970
CURRENT ASSETS			
Stocks	9	700	700
Debtors	10	1,511,503	1,350,270
Cash at bank and in hand		20	38
		<u>1,512,223</u>	<u>1,351,008</u>
CREDITORS: amounts falling due within one year	11	(1,225,970)	(1,100,990)
NET CURRENT ASSETS		<u>286,253</u>	<u>250,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>557,792</u>	<u>427,988</u>
CREDITORS: amounts falling due after more than one year	12	-	(5,817)
PROVISIONS FOR LIABILITIES AND CHARGES	14	(12,700)	(7,000)
NET ASSETS		<u><u>545,092</u></u>	<u><u>415,171</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	62,500	62,500
Share premium account		4,227	4,227
Profit and loss account	16	478,365	348,444
SHAREHOLDERS' FUNDS	17	<u><u>545,092</u></u>	<u><u>415,171</u></u>

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

The financial statements were approved by the board on 30 March 2001

Signed on behalf of the board of directors



G E Emmerson

Director

SEH (ASPHALT) LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2000

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	238,218	349,687
Depreciation of tangible fixed assets	38,503	56,980
Loss/(profit) on sale of fixed assets	1,832	(1,141)
Increase in debtors	(161,233)	(523,508)
Increase in creditors	71,987	305,049
Net cash inflow from operating activities	<u>189,307</u>	<u>187,067</u>
 CASH FLOW STATEMENT (note 18)		
Net cash inflow from operating activities	189,307	187,067
Returns on investments and servicing of finance	(3,078)	110
Taxation	(111,919)	(87,691)
Capital expenditure	(133,904)	(5,820)
Equity dividends paid	(32,480)	(88,885)
	<u>(92,074)</u>	<u>4,781</u>
Financing	<u>(32,288)</u>	<u>(47,764)</u>
Decrease in cash	<u>(124,362)</u>	<u>(42,983)</u>
 Reconciliation of net cash flow to movement in net debt (note 19)		
Decrease in cash in the period	(124,362)	(42,983)
Capital element of finance lease payments	32,288	64,491
Change in net debt	(92,074)	21,508
Net debt at 1 January 2000	(71,037)	(92,545)
Net debt at 31 December 2000	<u>(163,111)</u>	<u>(71,037)</u>

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	2 % straight line
Plant & equipment	25 % reducing balance
Fixtures & fittings	20 % reducing balance
Motor vehicles	25 % reducing balance

(d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) Deferred taxation

Deferred tax is provided in respect of the tax effects of all timing differences on a full provision basis, at the average rates of tax expected to apply when the timing differences reverse. This is in line with the requirements of FRS 19 'Deferred Tax' which becomes effective in January 2002 and has not resulted in a material adjustment in this years financial statements.

(g) Pensions

The company is a member of the group's defined contribution pension scheme providing benefits additional to those from the state. The pension charge in the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

2 OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Depreciation of tangible fixed assets:		
- owned by the company	35,549	14,558
- held under finance lease or hire purchase contracts	2,954	42,422
Audit fees	4,500	3,400
Pension cost	2,904	2,719
	<u> </u>	<u> </u>

3 DIRECTORS' EMOLUMENTS AND BENEFITS

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Directors' emoluments	127,496	164,121
	<u> </u>	<u> </u>

The numbers of directors who were members of company pension schemes were:

	No	No
Money purchase schemes	2	2
	<u> </u>	<u> </u>

4 STAFF COSTS

Staff costs, including directors' emoluments, were as follows:

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Wages and salaries	406,750	488,207
Social security costs	36,927	48,886
Other pension costs	2,904	2,719
	<u> </u>	<u> </u>
	446,581	539,812
	<u> </u>	<u> </u>

The average monthly number of employees, including executive directors, during the year was:

	No	No
Management	2	2
Office	1	1
Direct labour	12	12
	<u> </u>	<u> </u>
	15	15
	<u> </u>	<u> </u>

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

5 INTEREST RECEIVABLE AND SIMILAR ITEMS

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Interest receivable from group companies	6,066	9,013

6 INTEREST PAYABLE AND SIMILAR ITEMS

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Bank loans and overdrafts	1,086	1,272
Finance charges under finance lease and hire purchase contracts	4,287	7,631
Interest payable on late Corporation tax	3,771	-
	<u>9,144</u>	<u>8,903</u>

7 TAXATION

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
UK corporation tax		
Current tax on income for the period	66,597	111,921
Adjustments in respect of prior periods	442	-
Total UK taxation	<u>67,039</u>	<u>111,921</u>
 Deferred tax		
Current tax on income for the period	5,700	(2,800)
 Tax on profit on ordinary activities	<u>72,739</u>	<u>109,121</u>

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

8 TANGIBLE FIXED ASSETS

	Land & buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2000	51,717	148,712	97,770	298,199
Additions	-	82,779	55,526	138,305
Disposals	-	(2,329)	(12,934)	(15,263)
At 31 December 2000	51,717	229,162	140,362	421,241
Depreciation				
At 1 January 2000	1,293	66,394	52,542	120,229
Charge for year	776	22,255	15,472	38,503
On disposals	-	(1,976)	(7,054)	(9,030)
At 31 December 2000	2,069	86,673	60,960	149,702
Net book amount				
At 31 December 2000	49,648	142,489	79,402	271,539
At 31 December 1999	50,424	82,318	45,228	177,970

The net book amounts of assets held under finance lease or hire purchase contracts included above were:

	2000 £	1999 £
Plant & machinery	8,862	48,059
Motor vehicles	-	45,225
	8,862	93,284

9 STOCKS

	2000 £	1999 £
Raw materials	700	700

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

10 DEBTORS

	2000 £	1999 £
Due within one year		
Trade debtors	938,925	887,019
Amounts due from group undertakings	97,626	144,101
Other debtors	31,852	13,895
Amounts receivable on long term contracts	443,100	305,255
	<u>1,511,503</u>	<u>1,350,270</u>

11 CREDITORS

	2000 £	1999 £
Amounts falling due within one year		
Bank loans and overdrafts (note)	157,314	32,970
Trade creditors	853,248	628,929
Amounts owed to group undertakings	51,599	110,059
Corporation tax	67,039	111,919
Other tax and social security	40,900	64,451
Net obligations under finance lease and hire purchase contracts (note 13)	5,817	32,288
Other creditors	50,053	120,374
	<u>1,225,970</u>	<u>1,100,990</u>

The bank overdraft is secured by a fixed and floating charge and cross guarantee with other group companies.

12 CREDITORS

	2000 £	1999 £
Amounts falling due after more than one year		
Net obligations under finance lease and hire purchase contracts (note 13)	-	5,817
	<u>-</u>	<u>5,817</u>

13 FINANCE LEASES

Net obligations under finance lease and hire purchase agreements fall due as follows:

	2000 £	1999 £
Within one year	5,817	32,288
Between one and five years	-	5,817
	<u>5,817</u>	<u>38,105</u>

Finance lease and hire purchase creditors are secured on the assets concerned.

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

14 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 January 2000	7,000
Charged to profit and loss	5,700
At 31 December 2000	12,700

Deferred tax is analysed as follows:

	Provided		Not provided	
	2000	1999	2000	1999
	£	£	£	£
Capital allowances	12,700	7,000	-	-

15 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid	
		No	£
At 1 January 2000 and 31 December 2000			
Ordinary shares of £1 each	100,000	62,500	62,500

16 RESERVES

Profit and loss account	£
At 1 January 2000	348,444
Profit for the year	162,401
Dividends	(32,480)
At 31 December 2000	478,365

17 SHAREHOLDERS' FUNDS

	2000 £	1999 £
Shareholders' funds at 1 January 2000	415,171	246,653
Profit for the year	162,401	240,676
Dividends	(32,480)	(88,885)
Other movements:		
New shares issued	-	12,500
Share premium	-	4,227
Shareholders' funds at 31 December 2000	545,092	415,171

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

18 GROSS CASH FLOWS

	Year ended 31 December 2000 £	Fifteen months ended 31 December 1999 £
Returns on investments and servicing of finance		
Interest received	6,066	9,013
Interest paid	(4,857)	(1,271)
Interest element of finance lease rentals	(4,287)	(7,632)
	<u>(3,078)</u>	<u>110</u>
Taxation		
Corporation tax paid	(111,919)	(87,691)
Capital expenditure		
Payments to acquire tangible fixed assets	(138,305)	(10,320)
Receipts from sales of tangible fixed assets	4,401	4,500
	<u>(133,904)</u>	<u>(5,820)</u>
Financing		
Issue of share capital	-	16,727
Capital element of finance lease rentals	(32,288)	(64,491)
	<u>(32,288)</u>	<u>(47,764)</u>

19 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2000 £	Cash flows £	At 31 December 2000 £
Cash at bank and in hand	38	(18)	20
Overdrafts	(32,970)	(124,344)	(157,314)
		<u>(124,362)</u>	
Finance leases	(38,105)	32,288	(5,817)
Total	<u>(71,037)</u>	<u>(92,074)</u>	<u>(163,111)</u>

SEH (ASPHALT) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2000

20 CONTINGENT LIABILITIES

There is a contingent liability in respect of guarantees given by the company to its bankers for overdraft facilities granted to group companies.

21 TRANSACTIONS WITH RELATED PARTIES

The following transactions took place with group companies.

	Sales £	Purchases £
SEH (French) Limited	1,893	1,963
SEH (Holdings) Limited	2,450	-
SEH (Ipswich) Limited	225,940	-
Emmitt Plant Limited	539	78,536

The following amounts, included within amounts due to and from group companies, were outstanding at 31 December 2000 in relation to the above transactions.

	Debtor £	Creditor £
SEH (French) Limited	895	267
SEH (Holdings) Limited	-	531
SEH (Ipswich) Limited	73,666	9,258
Emmitt Plant Limited	-	13,439

Management and financial charges of **£41,451** (1999 : £25,752) and **£11,650** (1999 : £15,508) were paid to SEH (Holdings) Limited and SEH (Ipswich) Limited

Included within other creditors are directors accounts with D Brown and D Bates, which at the year end were **£3,225** (1999:£30,949) and **£3,248** (1999:£30,919) respectively.

22 PENSION COSTS

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. The pension cost charge for the year is shown in note 4.

23 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The parent undertaking of the largest and smallest groups for which consolidated accounts are prepared is SEH (Holdings) Limited. Consolidated accounts are available from Companies House, Cardiff, CF4 3UZ.

In the opinion of the directors this is the company's ultimate parent company and ultimate controlling party.