

3356708

J P HORGAN BUILDERS LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST AUGUST 1999



PREPARED BY:-

**GRAVESTOCK AND OWEN
CHARTERED ACCOUNTANTS
33 MARKET PLACE
WILLENHALL
WEST MIDLANDS
WV13 2AA**

J P HORGAN BUILDERS LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST AUGUST 1999

DIRECTORS: J P Horgan
E Horgan

SECRETARY: E Horgan

REGISTERED OFFICE: 33 Market Place
Willenhall
West Midlands
WV13 2AA

COMPANY REGISTRATION NUMBER: 03356708

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The following page does not form part of the Financial Statements:-

Detailed Profit and Loss Account – page 11

J P HORGAN BUILDERS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the audited financial statements for the period ended 31st August 1999.

DIRECTORS AND THEIR SHARE INTERESTS

The directors during the period and their beneficial interests in the ordinary shares of the company were as follows:-

	<u>1999</u>
J P Horgan	50
E Horgan	50

PRINCIPAL ACTIVITIES

The principal activity of the company is that of General Building and Maintenance.

STATUS

The company was incorporated in England and Wales upon 21st April 1997 and commenced trading upon 1st October 1998.

AUDITORS

The Auditors, Gravestock and Owen have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each financial period 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:-

- 1) select suitable accounting policies and then apply them consistently;
- 2) make judgments and estimates that are reasonable and prudent;
- 3) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 4) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

J P HORGAN BUILDERS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS RESPONSIBILITIES (CONTINUED)

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.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board


.....
E Horgan
SECRETARY

Dated: 19th May 2000

AUDITORS REPORT TO THE SHAREHOLDERS OF

J P HORGAN BUILDERS LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with the 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 judgments 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 mis-statement, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st August 1999 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

**33 MARKET PLACE
WILLENHALL
WEST MIDLANDS
WV13 2AA**



**GRAVESTOCK AND OWEN
REGISTERED AUDITORS AND CHARTERED ACCOUNTANTS**

DATED: 23rd May 2000

J P HORGAN BUILDERS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 31ST AUGUST 1999**

	<u>Note</u>	<u>1999</u> <u>£</u>
TURNOVER	2	1132899
Cost of Sales		(951386)
GROSS PROFIT		181513
Administrative Expenses		(81562)
OPERATING PROFIT	3	99951
Interest Payable	4	(14513)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		85438
Tax on Results of Ordinary Activities	5	(17556)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		67882
Dividends	6	(40500)
RETAINED PROFIT FOR THE PERIOD		27382
Retained Profits/(Accumulated Losses) Brought Forward		<u>-</u>
RETAINED PROFITS CARRIED FORWARD		<u>27382</u>

None of the company's activities were acquired or discontinued during the current accounting period.

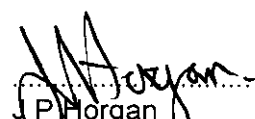
There were no recognised gains or losses other than the profit for the current period, as disclosed above.

The notes on page 6 to 10 form part of these financial statements.

J P HORGAN BUILDERS LIMITED**BALANCE SHEET AS AT 31ST AUGUST 1999**

	<u>Note</u>	<u>1999</u>	
		£	£
FIXED ASSETS			
Tangible Assets	7		116258
CURRENT ASSETS			
Stocks	8	160598	
Debtors	9	33740	
Cash at Bank and in Hand		<u>78278</u>	
		272616	
CREDITORS: Amounts Falling Due Within One Year	10	<u>300177</u>	
NET CURRENT LIABILITIES			(27561)
TOTAL ASSETS LESS CURRENT LIABILITIES			88697
CREDITORS: Amounts Falling Due After More Than One Year	11		(60229)
PROVISION FOR LIABILITIES AND CHARGES	13		(986)
NET ASSETS			<u>27482</u>
CAPITAL AND RESERVES			
Called Up Share Capital	14		100
Profit and Loss Account			<u>27382</u>
Shareholders Funds	15		<u>27482</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


J P Horgan
DIRECTOR

These financial statements were approved by the Board of Directors on 19th May 2000.

The notes on pages 6 to 10 form part of these financial statements.

J P HORGAN BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST AUGUST 1999

1. ACCOUNTING POLICIES

Accounting Convention

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

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Depreciation

Depreciation is provided on fixed assets, at rates calculated to write off the cost, less estimated residual value, over their expected useful lives, on the reducing balance method at the following rates:-

Plant and Equipment	20 per cent per annum
Motor Vehicles	25 per cent per annum
Office Equipment	20 per cent per annum

Land and Freehold Properties are not depreciated. Freehold Properties are maintained to ensure that their value does not diminish over time. The maintenance costs are charged to the Profit and Loss Account in the year incurred.

Stocks

Stocks are stated at the lower of cost or net realisable value. Work in progress - cost of direct materials and labour plus attributable overheads based on normal level of activity.

Deferred Taxation

Provision is made for deferred taxation using the liability method to the extent that it is considered likely that a liability will crystallise in the foreseeable future.

Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their expected useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

J P HORGAN BUILDERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31ST AUGUST 1999****2. TURNOVER**

The Company's turnover is attributable to one principal activity and represents the value, excluding Value Added Tax, of goods and services supplied to customers during the period. The analysis of turnover by geographical market is as follows:-

	<u>1999</u>
	<u>£</u>
United Kingdom	1132899

3. OPERATING PROFIT

	<u>1999</u>
	<u>£</u>
This is stated after charging:-	
Directors Emoluments	17047
Auditors Remuneration	1845
Depreciation	
- of Owned Assets	2545
- of Assets held under Finance Leases and Hire	
Purchase Contracts	17368
Loss on Disposal of Fixed Assets	4698
Operating Leases	
- Hire of Plant and Machinery	69682

4. INTEREST PAYABLE

	<u>1999</u>
	<u>£</u>
This includes finance charges allocated to the period in respect of Finance Leases and Hire Purchase Contracts of:	
	<u>3068</u>

5. TAX ON RESULTS ON ORDINARY ACTIVITIES

	<u>1999</u>
	<u>£</u>
Corporation Tax based on the results of the period	16570
Transfer to Deferred Taxation	<u>986</u>
	<u>17556</u>

6. DIVIDENDS PAID AND PROPOSED

	<u>1999</u>
	<u>£</u>
Ordinary - Final Paid (29/8/99)	<u>40500</u>

J P HORGAN BUILDERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31ST AUGUST 1999****7. TANGIBLE FIXED ASSETS**

	<u>Land & Buildings</u>	<u>Plant & Equipment</u>	<u>Motor Vehicles</u>	<u>Fixtures & Fittings</u>	<u>Total</u>
	£	£	£	£	£
COST OR VALUATION					
At 1 st October 1998	-	-	-	-	-
Additions	37500	57559	65485	1325	161869
Disposals	-	-	25698	-	25698
At 31 st August 1999	<u>37500</u>	<u>57559</u>	<u>39787</u>	<u>1325</u>	<u>136171</u>
DEPRECIATION					
At 1 st October 1998	-	-	-	-	-
Charge for the Period	-	10552	9118	243	19913
Disposals	-	-	-	-	-
At 31 st August 1999	<u>-</u>	<u>10552</u>	<u>9118</u>	<u>243</u>	<u>19913</u>
NET BOOK VALUE					
At 31 st August 1999	<u>37500</u>	<u>47007</u>	<u>30669</u>	<u>1082</u>	<u>116258</u>
At 1 st October 1998	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The historic cost and accumulated depreciation based on the cost of land and buildings included at valuation are as follows:-

	<u>1999</u>
	£
Cost	37500
Depreciation	<u>-</u>
Net Book Value	<u>37500</u>

The net book value of fixed assets includes £67796 in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

8. STOCKS

	<u>1999</u>
	£
Raw Materials	9942
Work in Progress	<u>150656</u>
	<u>160598</u>

9. DEBTORS

	<u>1999</u>
	£
Trade Debtors	26127
Other Debtors	5742
Prepayments and Accrued Income	<u>1871</u>
	<u>33740</u>

J P HORGAN BUILDERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31ST AUGUST 1999****10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>1999</u>
	£
Bank Loan	952
Trade Creditors	90306
Hire Purchase and Obligations Under Finance	
Leases	24236
Directors Loan Account	152468
Corporation Tax	16570
Other Taxation and Social Security	6195
Other Creditors	<u>9450</u>
	<u><u>300177</u></u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1999</u>
	£
Bank Loans	42728
Hire Purchase and Obligations Under Finance	
Leases	<u>17501</u>
	<u><u>60229</u></u>

Hire Purchase and Obligations under Finance Leases are repayable as follows:-

	<u>1999</u>
	£
Between Two and Five Years	<u>17501</u>

Bank Loans repayable after five years amounted to £38920.

12. SECURED LIABILITIES

The total amount of liabilities for which security has been given was £43680.

13. PROVISIONS FOR LIABILITIES AND CHARGES

	£
Deferred Taxation	
Balance at 1 st October 1998	-
Charged to Profit and Loss Account	<u>986</u>
Balance at 31 st August 1999	<u><u>986</u></u>

	<u>1999</u>	
	<u>Provision</u>	<u>Amount Not</u>
	<u>Made</u>	<u>Provided</u>
	£	£
Accelerated Capital Allowances	986	-
Other Timing Differences	-	-

J P HORGAN BUILDERS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE PERIOD ENDED 31ST AUGUST 199914. CALLED UP SHARE CAPITAL1999

£

Authorised

Ordinary Shares of £1 Each

100Called Up

Allotted, Called Up and Fully Paid

Ordinary Shares of £1 Each

10015. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS1999

£

Profit for the Financial Period

67882

Other Recognised Gains and Losses Relating to
the Period (Net):-

New Share Capital Subscribed

100

Dividends

(40500)

Net Addition To Shareholders Funds

27482

Opening Shareholders Funds

-

Closing Shareholders Funds

27482