

HORIZON CONTRACTORS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1999
COMPANY REGISTRATION NO: 3580310

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HORIZON CONTRACTORS LIMITED**REPORT OF THE DIRECTORS**

The directors submit their report and financial statements for the year ended 31st December 1999 which were approved by the Board on 31st March 2000.

PRINCIPAL ACTIVITY

The company's principal activities during the year were subsidence remedial works to domestic and commercial properties.

RESULTS AND DIVIDENDS

The trading profit for the year, after taxation, amounted to £110,753 (1998: £8).

The directors have paid a dividend of £15,000 during the year and propose a final dividend of £45,000.

REVIEW OF THE BUSINESS

The directors were satisfied with the Company's performance for the first full year of trading and with the company's state of affairs.

FIXED ASSETS

The changes in fixed assets are summarised in the notes to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors and their beneficial interests in the ordinary share capital of the company throughout the year were as follows:

	At 31.12.99	At 31.12.98
R R Dearman	1	1
A Latto	1	1
	==	==

HORIZON CONTRACTORS LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES

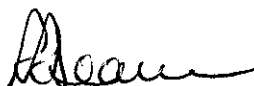
DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those accounts, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are responsible and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

BY ORDER OF THE BOARD



R R Dearman
Secretary

REPORT OF THE AUDITORS
TO THE MEMBERS OF
HORIZON CONTRACTORS LIMITED

We have audited the accounts on pages 4 to 10 which have been prepared following the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Knox Cropper
153-155 London Road
Hemel Hempstead, Herts, HP3 9SQ

Chartered Accountants
Registered Auditors

31st March 2000

HORIZON CONTRACTORS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST DECEMBER 1999**

	<u>Notes</u>	<u>Year to 31.12.99</u>	<u>Period 12.6.98 to 31.12.98</u>
		£	£
TURNOVER	2	813,719	58,589
Cost of sales		(581,390)	(36,940)
GROSS PROFIT		232,329	21,649
Administrative expenses		(90,105)	(19,997)
OPERATING PROFIT	3	142,224	1,652
Other interest receivable and similar income	4	353	1
Interest payable and similar charges	5	(5,537)	(1,645)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		137,040	8
Tax on profit on ordinary activities	7	(26,287)	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		110,753	8
DIVIDENDS	8	(60,000)	-
RETAINED PROFIT FOR THE YEAR		50,753	-
Retained profit brought forward		8	-
RETAINED PROFITS CARRIED FORWARD		£50,761	£8

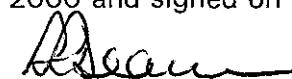
All the Company's activities are continuing.

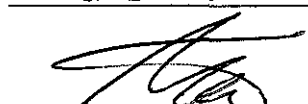
All recognised gains and losses are disclosed in the profit and loss account.

HORIZON CONTRACTORS. LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER 1999**

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
FIXED ASSETS			
Tangible assets	9	41,168	13,100
CURRENT ASSETS			
Work in progress	10	14,922	3,521
Debtors	11	146,599	40,220
Cash at bank		54,686	13,213
		216,207	56,954
CREDITORS			
Amounts falling due within one year	12(a)	(189,874)	(64,523)
NET CURRENT ASSETS/(LIABILITIES)		26,333	(7,569)
TOTAL ASSETS LESS CURRENT LIABILITIES		67,501	5,531
CREDITORS			
Amounts falling due after more than one year	12(b)	(16,738)	(5,521)
		£50,763	£10
CAPITAL AND RESERVES			
Called up share capital	13	2	2
Profit and loss account		50,761	8
SHAREHOLDERS' FUNDS	14	£50,763	£10

The financial statements on pages 4 to 10 were approved by the Board of Directors on 31ST March, 2000 and signed on their behalf by:

 R. Dearman (Director)

 A. Latto (Director)

HORIZON CONTRACTORS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 1999****1. ACCOUNTING POLICIES**

The more important policies adopted by the company, which are consistent, where relevant, with those of the previous year, are as follows:

- (a) The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.
- (b) Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Motor Vehicles	-	25%
Furniture and Equipment	-	25%
- (c) Work in Progress is stated at the lower of cost and net realisable value.
- (d) Fixed assets under hire purchase agreements are capitalised, at their fair value, in accordance with the requirements of Statement of Standard Accounting Practice No. 21. Hire purchase interest are spread over the terms of the contracts so as to produce a constant periodic rate of charge on the net obligation outstanding in each year.
- (e) Deferred taxation is provided using the liability method, except where, in the opinion of the directors, there is reasonable evidence that such taxation will not become payable in the foreseeable future. Under the liability method, taxation is provided on accumulated timing differences at the rate at which tax is expected to become payable. The unprovided liability is shown as a contingent liability.
- (f) The company has taken advantage of the exemption conferred by Financial Reporting Standard No. 1 under which it is not required to produce a cash flow statement.

2. TURNOVER

Turnover represents the invoiced amount of work executed during the year, net of VAT.

HORIZON CONTRACTORS LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31ST DECEMBER 1999**

3. OPERATING PROFIT	<u>Year to 31.12.99</u>	<u>Period 12.6.98 to 31.12.98</u>
This is stated after charging:	£	£
Directors' emoluments (including estimated benefits in kind)	41,480	8,600
Auditor's remuneration	6,000	2,000
	<u> </u>	<u> </u>
4. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Deposit interest	£353	£1
	<u> </u>	<u> </u>
5. INTEREST PAYABLE AND SIMILAR CHARGES		
Hire purchase interest (wholly repayable within 5 years)	2,898	327
Other interest	2,639	1,318
	<u> </u>	<u> </u>
	£5,537	£1,645
	<u> </u>	<u> </u>
6. STAFF COSTS (including Directors)		
Salaries and wages	100,583	17,698
Social security costs	9,537	1,138
	<u> </u>	<u> </u>
	£110,120	£18,836
	<u> </u>	<u> </u>
	<u>No</u>	<u>No.</u>
The average number of employees, excluding directors, during the year/period was	6	2
	<u> </u>	<u> </u>
	£	£
7. TAX ON PROFIT ON ORDINARY ACTIVITIES		
Corporation tax on the profit at 20.25% (1998: 21%)	£26,287	£-
	<u> </u>	<u> </u>
8. DIVIDENDS		
Paid (£7,500 per share)	15,000	-
Proposed (£22,500 per share)	45,000	-
	<u> </u>	<u> </u>
	£60,000	£-
	<u> </u>	<u> </u>

HORIZON CONTRACTORS LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31ST DECEMBER 1999****9. TANGIBLE FIXED ASSETS**

	<u>Furniture and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£
Cost			
As at 1 st January 1999	320	13,716	14,036
Additions	2,377	34,947	37,324
	-----	-----	-----
At 31st December 1999	£2,697	£48,663	£51,360
	=====	=====	=====
Depreciation			
As at 1 st January 1999	80	856	936
Provided during the year	206	9,050	9,256
	-----	-----	-----
At 31st December 1999	£286	£9,906	£10,192
	=====	=====	=====
Net Book Value			
At 31 st December 1999	£2,411	£38,757	£41,168
	=====	=====	=====
At 31st December 1998	£240	£12,860	£13,100
	=====	=====	=====

Motor vehicles include assets held under finance lease contracts and hire purchase agreements with a net book value of £36,612 (1998: £10,000). Depreciation charged on these assets for the year amounts to £8,335 (1998: £666).

	<u>1999</u>	<u>1998</u>
	£	£
10. WORK IN PROGRESS		
Work in progress	£14,922	£3,521
	=====	=====
11. DEBTORS		
Trade debtors	141,999	38,267
Other debtors	2,700	1,953
Prepayments	1,900	-
	-----	-----
	£146,599	£40,220
	=====	=====

HORIZON CONTRACTORS LIMITED
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1999

	<u>1999</u> £	<u>1998</u> £
12. CREDITORS		
(a) Amounts falling due within one year:		
Trade creditors	25,747	12,413
Other creditors	32,353	-
Accruals	4,000	3,373
Taxes and social security costs	14,307	4,308
Directors' accounts	27,852	41,245
Amounts due under hire purchase agreements	14,328	3,184
Corporation tax	26,287	-
Proposed dividends	45,000	-
	----- £189,874	----- £64,523
	=====	=====
(b) Amounts falling due after more than one year:		
Amounts due under hire purchase agreements (wholly repayable within five years)	£16,738	£5,521
	=====	=====
The hire purchase agreements are secured on the assets concerned.		
13. CALLED UP SHARE CAPITAL		
Authorised 100 shares of £1 each	£100	£100
	=====	=====
Issued and fully paid 2 shares of £1 each	£2	£2
	=====	=====
14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
Profit for the year/period	110,753	8
Dividends	(60,000)	-
	-----	-----
Net additions to shareholder's funds	50,753	8
Share capital issued	-	2
Opening shareholders' fund	10	-
	-----	-----
Closing shareholders' fund	£50,763	£10
	=====	=====

HORIZON CONTRACTORS LIMITED**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31ST DECEMBER 1999****15. DEFERRED TAXATION**

At the year end, there were no material timing differences giving rise to a deferred tax liability and, consequently, no deferred tax was provided during the year.

The unprovided liability was:	<u>1999</u>	<u>1998</u>
	£	£
Accelerated capital allowances	£1,749	£936
	<u> </u>	<u> </u>

15. RELATED PARTY TRANSACTIONS

At the balance sheet date, included within "Creditors falling due within one year", are amounts owing to the Directors, R. Dearman and A. Latta, of £12,048 (1998: £17,731) and £15,804 (1998: £23,514) respectively. Included in the "Other interest" (note 5) is interest charged in respect of these loans amounting to £1,144 (1998: £731) and £1,495 (1998: £587), respectively.