SC 89502.

Report of the Directors and

Financial Statements for the Year Ended 31 August 1995

for

T & M CONTRACTS LIMITED

Sharles



T & M CONTRACTS LIMITED

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the company will be held at 29 Brandon Street, Hamilton, on 19th June 1996 at 10.00 a.m. for the following purposes:

1. To consider and if thought fit, adopt the Directors Report and Financial Statements for the year ended 31 August 1995.

2. To confirm the re-appointment of Sharles, Chartered Accountants, as auditors.

3. To transact any other business of the company.

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ON BEHALF OF THE BOARD

Mrs Margaret Lally, Margaret Lally

Secretary.

29 Brandon Street,
HAMILTON
ML3 6DA.

11 May 1996.

NOTE

Any member of the company entitled to attend and vote at the above meeting is entitled to appoint another person (whether a member or not) as his proxy, to attend and on a poll to vote in his stead. A form of proxy should be completed and returned to the company's Registered office not later than 48 hours before the time fixed for the meeting.

T & M CONTRACTS LIMITED

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for the Year Ended 31 August 1995

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T & M CONTRACTS LIMITED

Company Information
for the Year Ended 31 August 1995

DIRECTORS:	Thomas Lally Mrs Margaret Lally
SECRETARY:	Mrs Margaret Lally
REGISTERED OFFICE:	29 Brandon Street HAMILTON ML3 6AB
REGISTERED NUMBER:	89502 (Scotland)
AUDITORS:	Sharles, Chartered Accountants Registered Auditors 29 Brandon Street HAMILTON ML3 6AB
BANKERS:	Clydesdale Bank Plc 48 Hamilton Road MOTHERWELL ML1 3DD

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Report of the Directors for the Year Ended 31 August 1995

The directors present their report with the financial statements of the company for the year ended 31 August 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of wood restoration and the hire of scaffolding.

REVIEW OF BUSINESS

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

DIVIDENDS AND TRANSFERS TO RESERVES

A dividend of £120 per share was paid during the year. The directors recommend that no further dividend be paid and that the defecit of £4,133 be transferred to reserves.

DIRECTORS

The directors during the year under review were:

Thomas Lally
Mrs Margaret Lally

The beneficial interests of the directors holding office on 31 August 1995 in the issued share capital of the company were as follows:

	31.8.95	1.9.94
Ordinary shares £1 shares		
Thomas Lally	50	50
Mrs Margaret Lally	50	50

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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 judgments 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.

AUDITORS

The auditors, Sharles, Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Mrs Margaret Lally - Secretary Margaret Lally

Dated: 11 June 1996

Report of the Auditors to the Shareholders of T & M CONTRACTS LIMITED

We have audited the financial statements on pages four to nine which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors
As described on page two 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 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 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 financial statements.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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Sharles, Chartered Accountants
Registered Auditors
29 Brandon Street
HAMILTON
ML3 6AB

Dated: 11 June 1996

T & M CONTRACTS LIMITED

Profit and Loss Account
for the Year Ended 31 August 1995

	Notes	1995 £	1994 £
TURNOVER	2	59,668	56,788
Cost of sales		12,800	16,781
GROSS PROFIT		46,868	40,007
Administrative expenses		35,627	31,474
OPERATING PROFIT	4	11,241	8,533
Interest receivable and similar income	5	-	375
		11,241	8,908
Interest payable and similar charges	6	53	152
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,188	8,756
Tax on profit on ordinary activities	7	3,321	2,648
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		7,867	6,108
Dividend	8	12,000	12,000
		(4,133)	(5,892)
Retained profit brought forward		13,134	19,026
RETAINED PROFIT CARRIED FORWARD		£9,001	£13,134

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Balance Sheet
31 August 1995

	Notes	1995 £	1995 £	1994 £	1994 £
FIXED ASSETS:					
Tangible assets	9		6,341		10,678
CURRENT ASSETS:					
Stocks	10	1,000		1,000	
Debtors	11	11,606		14,440	
Cash at bank and in hand		8,313		4,263	
		20,919		19,703	
CREDITORS: Amounts falling due within one year	12	18,159		17,147	
NET CURRENT ASSETS:			2,760		2,556
TOTAL ASSETS LESS CURRENT LIABILITIES:			£9,101		£13,234
CAPITAL AND RESERVES:					
Called up share capital	13		100		100
Profit & loss account			9,001		13,134
Shareholders' funds	14		£9,101		£13,234

ON BEHALF OF THE BOARD:

Thomas Lally - DIRECTOR

Approved by the Board on 11 June 1996

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 August 1995

1. ACCOUNTING POLICIES

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

Financial Reporting Standard Number 1
Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

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

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

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

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Pensions
The company makes contributions to a personal pension plan taken out by one of the directors. These contributions are charged to the Profit and Loss Account as they become payable.

Deferred Taxation
Provision is made at current rates for taxation deferred in respect of all material timing differences between the incidence of income and expenditure for taxation purposes, using the liability method.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3. STAFF COSTS

	1995	1994
	£	£
Wages and salaries	12,687	12,771
Social security costs	921	1,317
Other pension costs	3,400	3,400
	17,008	17,488

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

	1995	1994
Office and management	1	1
Manufacturing	1	1
	2	2

4. OPERATING PROFIT

The operating profit is stated after charging:

	1995 £	1994 £
Hire of plant and machinery	166	117
Depreciation - owned assets	5,763	6,950
Loss on disposal of fixed assets	338	-
Auditors' remuneration	1,000	1,000
Directors' emoluments - including benefits in kind	19,754	19,838

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1995 £	1994 £
Deposit account interest	-	15
Interest on repaid tax	-	360
	-	375

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1995 £	1994 £
Bank loans, overdrafts and other loans repayable within five years: otherwise than by instalments	53	152

7. TAXATION

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

	1995 £	1994 £
Based on the adjusted results of the year: UK Corporation Tax	3,321	2,648

UK Corporation Tax has been charged at 25% (1994 - 25%).

8. DIVIDENDS

	1995 £	1994 £
Equity shares: Final paid	12,000	12,000

Notes to the Financial Statements
for the Year Ended 31 August 1995

9. **TANGIBLE FIXED ASSETS**

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 September 1994	48,992	586	16,786	66,364
Additions	1,764	-	-	1,764
Disposals	(1,358)	-	(2,800)	(4,158)
At 31 August 1995	49,398	586	13,986	63,970
DEPRECIATION:				
At 1 September 1994	44,057	586	11,043	55,686
Charge for year	2,892	-	2,871	5,763
Eliminated on disposals	(1,020)	-	(2,800)	(3,820)
At 31 August 1995	45,929	586	11,114	57,629
NET BOOK VALUE:				
At 31 August 1995	3,469	-	2,872	6,341
At 31 August 1994	4,935	-	5,743	10,678

10. **STOCKS**

	1995	1994
	£	£
Stock	1,000	1,000

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

	1995	1994
	£	£
Trade debtors	8,606	10,279
ACT recoverable	3,000	3,000
Corporation tax recoverable	-	1,161
	11,606	14,440

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12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1995	1994
	£	£
Directors current accounts	9,504	6,167
Other taxes	4,124	6,941
Taxation	3,321	2,648
Accruals	1,210	1,391
	18,159	17,147

13. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	1995 £	1994 £
100	Ordinary shares	£1	100	100

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995	1994
	£	£
Profit for the financial year	7,867	6,108
Dividends	(12,000)	(12,000)
NET REDUCTION OF SHAREHOLDERS' FUNDS	(4,133)	(5,892)
Opening shareholders' funds	13,234	19,126
CLOSING SHAREHOLDERS' FUNDS	9,101	13,234
Equity interests	9,101	13,234

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