

Syme & Duncan (Contracts) Ltd

Report and Accounts

Year Ended 31 August 1999

Company Registered in England Number : 1474645



DIRECTORS' REPORT - For the year ended 31 August 1999

The Directors submit their Report and the audited Accounts of the Company for the year ended 31 August 1999

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 the affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements the Directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

Results

The Profit and Loss Account for the year is set out on Page 4. The company has performed satisfactorily during the year.

The Group continued with its review of all systems and equipment to ensure Year 2000 conformity and the main accounting and other software and hardware were confirmed as compliant. Our experience in the early months of 2000 is that we have observed no significant problems, and all key systems have continued to operate without disruption.

The Directors do not believe that the introduction of the Euro will have any significant impact upon the business.

Profits and Dividends

A profit of £9,816 is transferred to reserves.

The Directors do not propose to pay a dividend.

Principal activities of the company

The Company's principal trading activity is that of Building Contractor.

DIRECTORS' REPORT - For the year ended 31 August 1999

Directors

The Directors of the company who have been in office during the year are;

Michael A Chevreau MCIOB

Managing Director

Martyn F J Button Grad. Dip. QS

John W Gray FCCA ARICS MCIOB

Resigned 30 November 1999

Directors' interests in shares

None of the Directors held an interest in the share capital of the company or its immediate parent.

The interests of the Directors in the share capital of the ultimate parent company are disclosed in that company's accounts.

Auditors

A resolution to re-appoint the Auditors, H & E Johnson, will be proposed at the Annual General Meeting.

By order of the board



M F J Button

Secretary

11 February 2000

AUDITORS' REPORT

to the shareholders of Syme & Duncan (Contracts) Ltd

We have audited the Financial Statements on Pages 4 to 10 which have been prepared in accordance with the accounting policies set out in the notes to these accounts.

Respective responsibilities of the company's directors and auditors

As described in the Directors' report the directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on these 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 judgements 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 relevant information and explanations which we considered necessary 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 at 31 August 1999 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

H & E Johnson

Unit 3.G.2
The Leathermarket
Weston Street
London SE1 3ER

11 February 2000

H & E Johnson
Chartered Accountants
Registered Auditor

PROFIT AND LOSS ACCOUNT - For the year ended 31 August 1999

	Notes	12 months to 31.8.1999	7 months to 31.8.1998
		£	£
Turnover	2	773,263	386,341
Cost of sales		<u>682,041</u>	<u>335,605</u>
Gross Profit		91,222	50,736
Other operating expenses		<u>79,487</u>	<u>41,427</u>
Operating profit for the year		11,735	9,309
Interest payable	3	<u>1,919</u>	<u>250</u>
Profit on ordinary activities before tax	4	9,816	9,059
Taxation	5	<u>-</u>	<u>-</u>
Retained profit for the year after tax		<u>9,816</u>	<u>9,059</u>

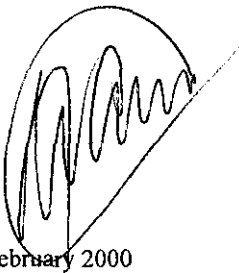
All items dealt with in arriving at the operating profit for both accounting periods relate to continuing activities

There are no recognised gains or losses in these periods, other than the reported profit and loss.

BALANCE SHEET - as at 31 August 1999

	Notes	at 31.8.1999		at 31.8.1998	
		£	£	£	£
Fixed Assets					
Tangible Assets	7		15,500		28,241
Current Assets					
Stocks	8	8,094		14,353	
Debtors	9	214,630		325,367	
Cash at Bank and in hand		<u>58,796</u>		<u>16,221</u>	
		281,520		355,941	
Creditors due within one year	10a	<u>172,645</u>		<u>263,878</u>	
Net current assets			<u>108,875</u>		<u>92,063</u>
Total Assets less current liabilities			124,375		120,304
Creditors due after more than one year	10b		<u>5,745</u>		<u>11,490</u>
Net Assets			<u>118,630</u>		<u>108,814</u>
Capital and Reserves					
Called up share capital	12		10,000		10,000
Profit and Loss Account	13		<u>108,630</u>		<u>98,814</u>
Shareholders' Funds			<u>118,630</u>		<u>108,814</u>

Approved and signed on behalf of the board



11 February 2000

M A Chevreau

Director

NOTES TO THE ACCOUNTS - For the year ended 31 August 1999

1. Accounting Policies

a) Basis of Accounting: The financial statements are prepared under the historical cost convention and applicable accounting standards.

b) Tangible Fixed Assets

i) These are stated at cost less accumulated depreciation. Depreciation on purchased assets is calculated at the rate of 25% per annum on the written down value.

ii) Gains and losses on disposals are credited or charged to the Profit and Loss Account when they occur and the relevant gross value and accumulated depreciation eliminated from the Accounts.

c) Assets leased

Where the company enters into operating or finance leases, its policy is to regard such leases as finance leases where their terms give rights approximating to ownership.

Assets held under finance leases (including Hire Purchase contracts) are capitalised at a fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after one year. Assets held under hire purchase agreements are depreciated over their useful economic life; assets held under finance leases are depreciated over the shorter of the lease term and their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

d) Stock

Stocks include building materials and consumables. Short term contract work in progress is valued at the lower of cost and net realisable value.

e) Long term contract work in progress

Long term contracts are valued at cost, including overheads, plus attributable profit, less any foreseeable losses. Attributable profit represents an assessment of profit on current contracts at the accounting date. Foreseeable losses are those estimated to arise on existing contracts, after taking account of future costs and overheads.

The amount included under Debtors as "Amounts recoverable on contracts", represents the amount by which the value of work exceeds progress payments to date.

f) Pensions

The company contributes to a personal pension plan scheme for some of its employees. Liability is limited to the premiums paid, which are charged against profits in the period of payment.

2. Turnover

Turnover, which excludes Value Added Tax, represents the value of work completed during the year and includes an adjustment for the net change of long term contract work in progress.

NOTES TO THE ACCOUNTS - For the year ended 31 August 1999

	1999 £	7 months to 31.8.1998 £
3. Interest payable		
Group interest	1,790	250
Other interest	119	-
Bank interest	10	-
	<u>1,919</u>	<u>250</u>
4. Profit on ordinary activities before taxation	£	£
This is stated after charging:-		
Depreciation	5,167	4,822
Auditors remuneration	2,000	2,000
Loss on sale of assets	6,294	-
	<u>£</u>	<u>£</u>
5. Taxation		
No provision has been made for United Kingdom corporation tax due to the availability of losses	-	-
	<u>£</u>	<u>£</u>
6. Directors and employees		
Staff costs:-		
Wages and salaries	282,951	129,302
Pension	8,467	1,757
Social security costs	23,861	11,067
	<u>315,279</u>	<u>142,126</u>
The average number of employees during the year was:-		
Operatives	7	8
Administration and Technical	6	6
	<u>13</u>	<u>14</u>

No Directors' emoluments have been paid in respect of the company.
A defined contribution pension scheme operates for certain employees.

NOTES TO THE ACCOUNTS - For the year ended 31 August 1999

7. Fixed Assets

Tangible Fixed Assets:-

	Plant & Office Equipment	Motor Vehicles	Total
	£	£	£
Cost as at 1.9.1998	68,029	32,818	100,847
Disposals	(68,990)	-	(68,990)
Group Disposals at full cost	-	(13,709)	(13,709)
Additions from group	961	11,773	12,734
Additions	-	-	-
Cost as at 31.8.1999	-	30,882	30,882
Depreciation as at 1.9.1998	62,696	9,910	72,606
Disposals	(62,696)	-	(62,696)
Disposals to Group	-	(7,123)	(7,123)
Additions from group	-	7,428	7,428
Provision for year	-	5,167	5,167
Depreciation as at 31.8.1999	-	15,382	15,382
Net book value at 31.8.1999	-	15,500	15,500
Net book value at 31.8.1998	5,333	22,908	28,241

Items included in Fixed Assets which were held on Hire purchase through Crispin & Borst Group Services Ltd. Crispin & Borst Group Services Ltd. retains the Hire purchase liability (see note 10):-

	1999	7 months to 31.8.1998
	£	£
Motor Vehicles		
Net book value at 31.8.1999	12,241	22,908
Depreciation charge for the year	4,081	3,912
Accumulated depreciation to 31.8.1999	6,867	3,912

8. Stocks

	£	£
Stock	1,300	1,915
Short term work in progress	6,794	12,438
	8,094	14,353

9. Debtors - amounts due within one year

	£	£
Debtors	39,977	114,016
Amounts recoverable on contracts	83,046	45,861
Amounts owed by Holding company	75,520	134,575
Amounts owed by Parent company	-	14,269
Amounts owed by group undertakings	13,340	10,216
Prepayments	2,511	2,073
Other debtors	236	4,357
	214,630	325,367

NOTES TO THE ACCOUNTS - For the year ended 31 August 1999

	31.8.1999	31.8.1998
	£	£
10. Creditors		
a. Amounts falling due within one year		
Trade creditors	110,896	71,934
Amounts due to Holding company	29,900	-
Amounts due for Hire Purchase to Crispin & Borst Group Services Ltd.	5,746	7,793
Amounts owed to group undertakings	77	65,250
Other creditors	2,357	3,864
Taxation and Social Security	18,561	28,267
Accruals	5,108	86,770
	<u>172,645</u>	<u>263,878</u>
b. Amounts falling due after one year	£	£
Amounts due for Hire Purchase to Crispin & Borst Group Services Ltd.	<u>5,745</u>	<u>11,490</u>
Payable over 24 months from 1.9.2000 at variable rates of interest		
11. Lease commitments		
Net obligations under hire purchase contracts	£	£
within 1 year	6,433	8,105
within two to five years	<u>5,974</u>	<u>13,401</u>
	12,407	21,506
Less finance charges allocated to future periods	<u>(916)</u>	<u>(2,223)</u>
Net obligations	<u>11,491</u>	<u>19,283</u>
12. Share Capital		
Authorised:-	£	£
10,000 Ordinary shares at £1 each	<u>10,000</u>	<u>10,000</u>
Issued, allotted and fully paid:-	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
13. Reserves		
Profit and Loss Account	£	£
Balance as at 1.9.1998	98,814	89,755
Retained profit for the year	<u>9,816</u>	<u>9,059</u>
Balance as at 31.8.1999	<u>108,630</u>	<u>98,814</u>

NOTES TO THE ACCOUNTS - For the year ended 31 August 1999**14. Reconciliation of movements in shareholders' funds**

	31.8.1999 £	31.8.1998 £
Opening shareholders' funds at 1.9.1998	108,814	99,755
Profit for the financial year	9,816	9,059
Closing shareholders' funds at 31.8.1999	<u>118,630</u>	<u>108,814</u>

15. Holding Company

The ultimate Holding company is C & B Holdings Limited, a company controlled by Mr. R S Dawe and his family trusts, which is incorporated in England.

16. Contingent Liabilities

There is a contingent liability in respect of cross guarantees to group undertakings of £1,016,615 (1998 - £444,049)

17. Related company transactions

In the current year the company hired plant and equipment to the value of £8,454 (1998 - £5,862) on a commercial basis from Avosdrive Plant Hire Ltd., a company controlled by Mr. R S Dawe, Director of C & B Holdings Ltd., and his family trusts. An amount of £678 (1998 - £1,328) which was owed to Avosdrive Plant Hire Ltd. at the year end is included within the figure for Trade creditors.