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CAPITAL CONSTRUCTION (G.B.) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
28 FEBRUARY 1997

Company Number: 2950963



CAPITAL CONSTRUCTION (G.B.) LIMITED

Company Information

Director	A. W. Parker
Secretary	G. Corner
Company Number	2950963
Registered Office	88 Nottingham Road Mansfield Notts. NG18 1BP
Accountants	C. J. Holder B.A., F.C.A. Chartered Accountants 88 Nottingham Road Mansfield Notts. NG18 1BP

CAPITAL CONSTRUCTION (G.B.) LIMITED

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CAPITAL CONSTRUCTION (G.B.) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 28 FEBRUARY 1997

The director presents his report and the financial statements for the year ended 28 February 1997.

Principal activities and review of business

The principal activity of the company was that of civil engineering and building contractors.

The results for the year are set out on page 3.

The director considers the results for the year and the state of affairs of the company to be satisfactory.

Dividends

The director does not recommend that a dividend is paid.

Director

The director who served during the year and his beneficial interest in the company's issued share capital was :

	Ordinary shares of £1 each	
	1997	1996
A. W. Parker	1	1

This report was approved by the board on 15th September 1997 and signed on its behalf.



A. W. Parker
Director

CAPITAL CONSTRUCTION (G.B.) LIMITED

**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE
UNAUDITED FINANCIAL STATEMENTS OF CAPITAL CONSTRUCTION (G.B.) LIMITED**

We report on the financial statements for the year ended 28 February 1997 set out on pages 3 to 8. These financial statements have not been audited.

Respective responsibilities of directors and reporting accountants

As described on page 4 the company's director is responsible for the preparation of the financial statements, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

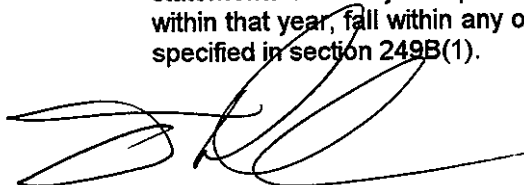
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



C. J. Holder B.A., F.C.A.

Chartered Accountants
88 Nottingham Road
Mansfield
Notts.
NG18 1BP

15th September 1997

CAPITAL CONSTRUCTION (G.B.) LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 28 February 1997

	Note	1997 £	1996 £
TURNOVER	1,2	322,962	151,047
Cost of sales		(288,962)	(124,089)
GROSS PROFIT		34,000	26,958
Administrative expenses		(5,720)	(5,713)
OPERATING PROFIT	3	28,280	21,245
Interest receivable		544	-
Interest payable	6	(3,775)	(1,293)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,049	19,952
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	7	(6,078)	(5,006)
RETAINED PROFIT FOR THE FOR THE YEAR		18,971	14,946
RETAINED PROFIT BROUGHT FORWARD		16,418	1,472
RETAINED PROFIT CARRIED FORWARD		£ 35,389	£ 16,418

Turnover and operating profit derive wholly from continuing operations.

There were no recognised gains and losses for 1997 or 1996 other than those included in the profit and loss account.

The notes on pages 5 to 8 form part of these financial statements.

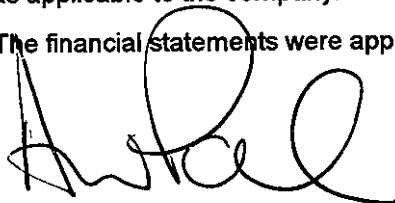
CAPITAL CONSTRUCTION (G.B.) LIMITED

BALANCE SHEET As at 28 February 1997

	Note	£	1997 £	£	1996 £
FIXED ASSETS					
Tangible fixed assets	8		4,214		2,100
CURRENT ASSETS					
Stocks	9	210,221		154,834	
Debtors		7,172		10,358	
Cash at bank and in hand		7,000		12,392	
		<u>224,393</u>		<u>177,584</u>	
CREDITORS: amounts falling due within one year	11	<u>(193,216)</u>		<u>(163,264)</u>	
NET CURRENT ASSETS			<u>31,177</u>		<u>14,320</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 35,391</u>		<u>£ 16,420</u>
CAPITAL AND RESERVES					
Called up share capital	12		2		2
Profit and loss account			<u>35,389</u>		<u>16,418</u>
SHAREHOLDERS' FUNDS - All equity	13		<u>£ 35,391</u>		<u>£ 16,420</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 28 February 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements were approved by the board on 15th September 1997 and signed on its behalf



A. W. Parker

Director

The notes on pages 5 to 8 form part of these financial statements.

CAPITAL CONSTRUCTION (G.B.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 28 February 1997

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

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

Plant & machinery	-	25%	reducing balance basis
Motor vehicles	-	25%	reducing balance basis
Fixtures & fittings	-	15%	reducing balance basis

1.4 Operating leases

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

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. TURNOVER

The whole of the turnover and profit before taxation is attributable to the one principal activity of the company carried out in the United Kingdom.

CAPITAL CONSTRUCTION (G.B.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 28 February 1997

3. OPERATING PROFIT

The operating profit is stated after charging:

	1997 £	1996 £
Depreciation of tangible fixed assets		
- owned by the company	1,584	700
Director's emoluments	-	375

4. STAFF COSTS

	1997 £	1996 £
Wages and salaries	£ 700	£ 850

The average monthly number of employees, including the director, during the year was as follows:

	1997	1996
Director	1	1
Administration	1	1

5. DIRECTOR'S REMUNERATION

	1997 £	1996 £
Other emoluments	£ -	£ 375

6. INTEREST PAYABLE

	1997 £	1996 £
On bank loans and overdrafts	3,775	1,293
	£ 3,775	£ 1,293

7. TAXATION

	1997 £	1996 £
Current year taxation		
UK Corporation Tax at 24% (1996 - 25%)	£ 6,078	£ 5,006

CAPITAL CONSTRUCTION (G.B.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 28 February 1997

8. TANGIBLE ASSETS

	Plant & Machinery £	Fixtures & Equipment £	Motor Vehicles £	Total £
Cost or valuation				
At 1 March 1996	800	-	2,000	2,800
Additions	-	1,613	2,085	3,698
At 28 February 1997	800	1,613	4,085	6,498
Depreciation				
At 1 March 1996	200	-	500	700
Charge for year	150	538	896	1,584
At 28 February 1997	350	538	1,396	2,284
Net Book Value				
At 28 February 1997	£ 450	£ 1,075	£ 2,689	£ 4,214
At 29 February 1996	£ 600	£ -	£ 1,500	£ 2,100

9. STOCKS

	1997 £	1996 £
Raw Materials	490	700
Work in Progress	209,731	96,500
Finished Goods	-	57,634
	£ 210,221	£ 154,834

10. DEBTORS

Due within one year

	1997 £	1996 £
Due within one year		
Trade debtors	5,862	4,686
Other debtors	1,040	5,672
Prepayments and accrued income	270	-
	£ 7,172	£ 10,358

CAPITAL CONSTRUCTION (G.B.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 28 February 1997

11. CREDITORS:

Amounts falling due within one year

	1997 £	1996 £
Bank loans and overdrafts	55,000	40,000
Trade creditors	6,272	13,551
Corporation tax	1,791	-
Social security and other taxes	969	1,159
Other creditors	112,633	101,687
Accruals and deferred income	16,551	6,867
	<u>£ 193,216</u>	<u>£ 163,264</u>

Bank loans & overdrafts are secured by a legal mortgage over freehold land.

12. CALLED UP SHARE CAPITAL

	1997 £	1996 £
Authorised		
100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>£ 2</u>	<u>£ 2</u>

13. SHAREHOLDERS' FUNDS

Reconciliation of movements on shareholders' funds

	1997 £	1996 £
Profit for the year	18,971	14,946
Opening shareholders' funds	16,420	1,474
Closing shareholders' funds	<u>£ 35,391</u>	<u>£ 16,420</u>