

PERRY & SARGENT LIMITED

COMPANY NUMBER: 1056921

DIRECTORS' REPORT AND UNAUDITED  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1999

---



**Bird Luckin**

## DIRECTORS' REPORT

The directors present their annual report and the unaudited financial statements of the company for the year ended 31 May 1999.

## ACTIVITIES

The principal activity of the company is construction work.

## DIRECTORS

The directors of the company during the year are shown below together with their interests in the company's shares at the year end.

	31 May 1999	1 June 1998 (or date of appointment)
JN Perry	300	300
Mrs RE Perry	300	300
MJ Perry (appointed 1 May 1999)	-	-

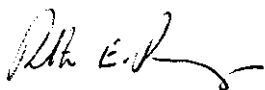
## YEAR 2000 COMPLIANCE

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond, in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own year 2000 issues.

## SMALL COMPANY PROVISIONS

This report 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

X 

Mrs RE Perry  
Secretary

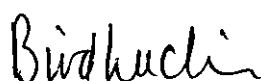
Date X 19<sup>th</sup> January 2000

ON THE UNAUDITED FINANCIAL STATEMENTS OF  
PERRY & SARGENT LIMITED

We report on the financial statements for the year ended 31 May 1999  
set out on pages 3 to 8. We have not carried out an audit on these financial  
statements.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND ACCOUNTANT

As described on page 4, you are responsible for the preparation of the  
financial statements, and consider that the company is exempt from an  
audit. In accordance with your instructions, and in order to assist you  
to comply with your statutory requirements, we have prepared these financial  
statements from the accounting records and the information and explanations  
supplied by you.



BIRD LUCKIN  
Reporting Accountants and  
Chartered Accountants

Aquila House  
Waterloo Lane  
Chelmsford  
Essex CM1 1BN

Date 28.1.2000  
.....

## UNAUDITED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 1999

	Note	£	1998 £
TURNOVER	2	244,355	148,315
Cost of sales		(217,749)	(115,689)
GROSS PROFIT		26,606	32,626
Administrative expenses		(33,462)	(29,135)
Other operating income		1,620	950
OPERATING (LOSS) PROFIT		(5,236)	4,441
Interest receivable and similar income		1,155	1,153
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(4,081)	5,594
Tax on (loss) profit on ordinary activities	6	-	(2,771)
(LOSS) PROFIT FOR THE FINANCIAL YEAR		(4,081)	2,823
Dividends	7	(10,002)	-
(LOSS) PROFIT RETAINED	13	(14,083)	2,823

Movements in reserves are set out in note 13.

Turnover and operating loss derive from continuing operations.

Total gains (losses) recognised wholly comprise the profit (loss) for the current and preceding financial year as detailed above. A statement of total recognised gains and losses is therefore not required.

There is no difference between the figures stated above and their historical cost equivalent.

UNAUDITED BALANCE SHEET  
31 MAY 1999

	Note	£	£	1998 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		16,181		19,097
<b>CURRENT ASSETS</b>					
Stocks	9	12,784		16,636	
Debtors	10	7,363		22,246	
Cash at bank and in hand		32,406		41,717	
		<u>52,553</u>		<u>80,599</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	<u>(13,388)</u>		<u>(30,267)</u>	
<b>NET CURRENT ASSETS</b>			<u>39,165</u>		<u>50,332</u>
<b>TOTAL ASSETS</b>					
<b>LESS CURRENT LIABILITIES</b>			<u>55,346</u>		<u>69,429</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		600		600
Profit and loss account	13		54,746		68,829
<b>EQUITY SHAREHOLDERS' FUNDS</b>			<u>55,346</u>		<u>69,429</u>

The directors confirm in accordance with section 249B(4) of the Companies Act 1985 that:-

1. for the year ended 31 May 1999 the company was entitled to exemption under section 249A(1) of the above Act from the requirement to have an audit;
2. no notice has been deposited under section 249b(2) of the above Act in relation to these financial statements;
3. they acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the above Act and preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 May 1999 and of its (loss) profit for the year then ended in accordance with the requirements of section 226 of the above Act and which otherwise comply with the requirements of the above Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the board on X 19<sup>th</sup> January 2000

Directors:

JN Perry

Mrs RE Perry

X *JN Perry*  
X *Mrs RE Perry*

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
31 MAY 1999

1. ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared in accordance with applicable accounting standards.

1.2 DEPRECIATION

Fixed assets are stated at cost or professional valuation less depreciation. Depreciation is calculated to write off fixed assets, less estimated residual value, over their estimated useful lives at the following annual rates:

Motor vehicles	25% reducing balance
Plant and equipment	10% straight line
Office equipment	15% straight line

1.3 FINANCE LEASES AND HIRE PURCHASE CONTRACTS

Assets acquired under finance leases and hire purchase contracts are capitalised, with an equivalent liability included as appropriate under creditors due within one year or after more than one year. Associated finance charges are written off to profit and loss account, by the annuity method or by equal instalments, over the primary period of the finance lease or over the period of the hire purchase contract.

1.4 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Profit on contracting is taken on short term contracts when completed, provision is made for any anticipated losses.

1.5 DEFERRED TAXATION

Full provision is made at the current rate of corporation tax for timing differences that arise between the accounting and taxation treatment of income and expenditure.

1.6 PENSION SCHEME

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounts to £ 4,572 (1998: £ 4,606). There were no arrears or prepayments of contributions at the year end.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided net of value added tax and trade discounts.

The turnover originated in the United Kingdom.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
31 MAY 1999

	£	1998 £
3. EMPLOYEES		
3.1 Staff costs, including those of directors, comprise:		
Social security costs	395	296
Other pension costs	4,572	4,606
	<u>4,967</u>	<u>4,902</u>
3.2 The average monthly number of employees, including directors, during the year is made up as follows:	No	No.
Production staff	1	1
Administration staff	2	2
	<u>3</u>	<u>3</u>
4. (LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
After charging:		
Depreciation (note 8):		
Owned assets	3,836	4,387
Hire of plant and machinery	7,757	5,749
	<u></u>	<u></u>
and after crediting:		
Net rental income	1,620	950
	<u></u>	<u></u>
5. DIRECTORS REMUNERATION		
Emoluments	3,945	2,960
Pension contributions	4,572	4,606
	<u>8,517</u>	<u>7,566</u>

The pension contributions made by the company are in respect of money purchase benefits (note 1.6).

No payments were made or shares issued to directors under long term incentive schemes.

6. TAX ON (LOSS) PROFIT ON ORDINARY ACTIVITIES

On the (loss) profit for the year:

Corporation tax @ 21% (1998: 21%)	-	439
ACT irrecoverable	-	2,332
	<u>-</u>	<u>2,771</u>

No actual or potential charge to deferred taxation arises on the results for the year due to losses in the year. There are trading losses of £ 48,700 (1998: £ 44,500 ) to be carried forward to offset future trading profits.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
31 MAY 1999

	£	1998 £		
7. DIVIDEND				
Proposed final dividend of 1667.00 p (1998: 0.00 p) per ordinary share payable 23 November 1999	10,002	-		
8. TANGIBLE FIXED ASSETS				
	Motor vehicles £	Plant and equipment £	Office equipment £	Total £
COST				
1 June 1998	21,920	15,125	3,783	40,828
Additions	-	520	400	920
31 May 1999	21,920	15,645	4,183	41,748
DEPRECIATION				
1 June 1998	13,967	4,799	2,965	21,731
Charge	1,989	1,565	282	3,836
31 May 1999	15,956	6,364	3,247	25,567
NET BOOK AMOUNT				
31 MAY 1999	5,964	9,281	936	16,181
31 MAY 1998	7,953	10,326	818	19,097
9. STOCKS				
Raw materials			4,250	3,125
Work in progress			8,534	13,511
			12,784	16,636
The replacement value of stocks is not considered to be materially different from the stated figures.				
10. DEBTORS				
Trade debtors			7,363	22,246
			7,363	22,246
There are no debtors falling due after more than one year.				
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Trade creditors			7,218	10,370
Corporation tax			-	21
Other taxes and social security costs			3,788	7,384
Other creditors			2,290	2,325
Directors loans			92	10,167
			13,388	30,267



NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
31 MAY 1999

	£	1998 £
12. SHARE CAPITAL		
Authorised:		
1,000 (1998: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
600 (1998: 600) ordinary shares of £1 each	<u>600</u>	<u>600</u>
13. PROFIT AND LOSS ACCOUNT		
1 June 1998	68,829	66,006
(Loss) profit retained	<u>(14,083)</u>	<u>2,823</u>
31 May 1999	<u>54,746</u>	<u>68,829</u>
14. TRANSACTIONS WITH DIRECTORS		
During the year the company transacted in its normal course of business and at normal market prices with AMJ Construction, of which the directors, JN Perry and MJ Perry are partners.		
There was £ nil (1998: £ 5,625) owing to the company at the balance sheet date and is included in trade debtors shown in note 10.		
Sales to AMJ Construction	<u>13,635</u>	<u>17,471</u>
AMJ Construction ceased trading on 30 April 1999.		
15. RECONCILIATION OF EQUITY SHAREHOLDERS' FUNDS		
(Loss) profit for the financial year after taxation	(4,081)	2,823
Dividends (note 7)	<u>(10,002)</u>	<u>-</u>
Total recognised gains and losses for the year after dividends	(14,083)	2,823
Opening equity shareholders' funds	<u>69,429</u>	<u>66,606</u>
Closing equity shareholders' funds	<u>55,346</u>	<u>69,429</u>
16. ULTIMATE CONTROLLING PARTY		
The ratio of holdings in the company's shares mean there is no controlling party.		