

COVENTRY SCAFFOLDING CO.(LONDON) LIMITED

REPORT AND  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 MAY 1998

REGISTERED NUMBER: 484489



**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998**

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**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**COMPANY INFORMATION**  
**AS AT 31 MAY 1998**

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**DIRECTORS**

P M Hanifan  
J J Hanifan  
P T Hanifan  
P Hanifan  
A C Charlick  
P J C Hanifan

**SECRETARY**

T C Por

**REGISTERED OFFICE**

471 Southend Lane  
Sydenham  
London  
SE26 5BT

**AUDITORS**

Harrison Hill Castle & Co  
Chartered Accountants  
Melbury House  
34 Southborough Road  
Bickley  
Kent  
BR1 2EB

## **COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

### **DIRECTORS' REPORT**

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The directors present their annual report with the financial statements of the company for the year ended 31 May 1998.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company in the year under review was the erection and hire of scaffolding.

#### **DIRECTORS AND THEIR INTERESTS**

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		<b>Number of Shares</b>	
		<b>1998</b>	<b>1997</b>
P M Hanifan	Ordinary £1 shares	3,465	3,465
J J Hanifan	Ordinary £1 shares	23,430	23,430
P T Hanifan	Ordinary £1 shares	10,676	10,676
P Hanifan	Ordinary £1 shares	3,465	3,465
A C Charlick		-	-
P J C Hanifan		-	-

#### **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 as at the end of the financial year 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 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 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 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.

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year, the company made charitable contributions totalling £1,830.

#### **YEAR 2000 SOFTWARE ISSUES**

The company's general plan to address the year 2000 problem as it relates to the business and operations has now been implemented.

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**DIRECTORS' REPORT**

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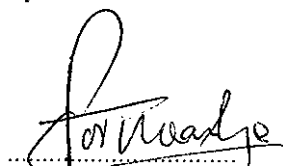
**AUDITORS**

Geo. Little, Sebire & Co resigned as auditors during the year and Harrison Hill Castle & Company were appointed in their stead. They will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

**SPECIAL PROVISIONS RELATING TO SMALL COMPANIES**

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

By order of the board:

A handwritten signature in dark ink, appearing to read 'T C Por', is written over a horizontal dotted line.

T C Por  
Secretary

Date:

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**AUDITORS' REPORT TO THE MEMBERS**

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We have audited the financial statements on pages 5 to 14 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and on the basis of accounting policies set out on page 8.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

As described in the directors' report, 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.

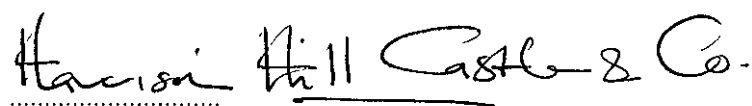
**BASIS OF OPINION**

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 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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 affairs of the company as at 31 May 1998 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Harrison Hill Castle & Company  
Chartered Accountants  
Registered Auditors  
Melbury House  
34 Southborough Road  
Bickley  
Kent  
BR1 2EB

Date signed: 13.1.99

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 1998**

	Notes	1998 £	1997 £
<b>TURNOVER</b>		2,496,679	2,090,358
Cost of sales		1,427,531	1,215,380
<b>GROSS PROFIT</b>		1,069,148	874,978
Distribution costs		149,706	123,843
Administrative expenses		947,457	835,820
<b>OPERATING LOSS</b>	2	(28,015)	(84,685)
Investment income and interest receivable		36,247	28,002
Amounts written off investments		(366)	(3,333)
Interest payable and similar charges		(942)	(2,577)
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		6,924	(62,593)
Tax on profit / (loss) on ordinary activities	5	(19,327)	25,142
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(12,403)	(37,451)

The notes on pages 8 to 14 form part of these financial statements.

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MAY 1998**

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	1998 £	1997 £
Loss for the financial year after taxation	(12,403)	(37,451)
<b>TOTAL RECOGNISED LOSSES RELATING TO THE YEAR</b>	<b>(12,403)</b>	<b>(37,451)</b>

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The notes on pages 8 to 14 form part of these financial statements.

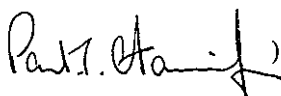


**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED****BALANCE SHEET  
AT 31 MAY 1998**

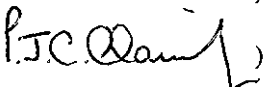
	Notes	£	1998 £	£	1997 £
<b>FIXED ASSETS</b>					
Tangible assets	6		252,334		309,411
Investments	7		7,945		8,311
			<u>260,279</u>		<u>317,722</u>
<b>CURRENT ASSETS</b>					
Stocks		214,794		290,400	
Debtors	8	382,660		308,141	
Cash at bank and in hand		631,629		568,860	
		<u>1,229,083</u>		<u>1,167,401</u>	
<b>CREDITORS:</b> amounts falling due within one year	9	(603,555)		(584,414)	
<b>NET CURRENT ASSETS</b>			<u>625,528</u>		<u>582,987</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>885,807</u>		<u>900,709</u>
<b>CREDITORS:</b> amounts falling due after more than one year	10		-		(2,500)
<b>NET ASSETS</b>			<u>885,807</u>		<u>898,209</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		69,306		69,306
Share premium account	13		9,459		9,459
Profit and loss account	14		807,042		819,444
<b>TOTAL SHAREHOLDERS' FUNDS</b>			<u>885,807</u>		<u>898,209</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the board of directors on 13.1.99 and signed on its behalf by:

P T Hanifan 

) Directors

P J C Hanifan 

The notes on pages 8 to 14 form part of these financial statements.

# **COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1998**

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### **1. STATEMENT OF ACCOUNTING POLICIES**

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

#### **Turnover**

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

#### **Depreciation of tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Freehold buildings	2.5% on cost
Plant and machinery	15% on cost
Office furniture and fittings	15% on reducing balance
Motor vehicles	20%-25% on cost
No depreciation is charged on freehold land.	

#### **Boards, ropes and tarpaulins**

Boards, ropes and tarpaulins are written off in the year of acquisition.

#### **Stocks**

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 items. Cost includes all direct expenditure and an appropriate portion of variable and fixed overheads.

#### **Investments**

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

#### **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

#### **Pension costs**

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998****2. OPERATING LOSS**

Operating loss	1998	1997
	£	£
After charging:		
Depreciation of fixed assets	116,809	100,732
Depreciation of leased assets	6,758	6,759
Auditors' remuneration	7,000	7,500
	<u>          </u>	<u>          </u>
After crediting:		
Profit on disposal of tangible assets	2,572	3,998
	<u>          </u>	<u>          </u>

**3. INFORMATION ON DIRECTORS**

	1998	1997
	£	£
Directors' emoluments		
Emoluments, including pension contributions to money purchase (defined contribution) schemes	334,551	301,080
	<u>          </u>	<u>          </u>

	1998	1997
	No.	No.
During the year the following number of directors:		
Accrued benefits under money purchase (defined contribution) pension schemes	4	4
	<u>          </u>	<u>          </u>

	1998	1997
	£	£
Details of highest paid director's emoluments		
Emoluments	59,398	59,027
	<u>          </u>	<u>          </u>

**4. PENSION COSTS****Money purchase (defined contribution) pension scheme**

The company operates a money purchase (defined contribution) pension scheme. 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 amounted to £81,704 (1997: £59,940).

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998**

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	1998 £	1997 £
The taxation charge comprises:		
UK corporation tax at 21% (1997 - 24%)	19,327	2,034
Adjustment in respect of prior years	-	(27,176)
	<u>19,327</u>	<u>(25,142)</u>

**6. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor Vehicles £	Total £
<b>Cost:</b>					
At 1 Jun. 97	58,556	1,034,857	144,187	390,968	1,628,568
Additions	-	27,743	8,281	30,469	66,493
Disposals	-	(108,849)	-	(22,317)	(131,166)
At 31 May. 98	<u>58,556</u>	<u>953,751</u>	<u>152,468</u>	<u>399,120</u>	<u>1,563,895</u>
<b>Depreciation:</b>					
At 1 Jun. 97	10,580	927,682	80,187	300,708	1,319,157
Charge for year	966	48,961	22,870	50,770	123,567
On disposals	-	(108,849)	-	(22,314)	(131,163)
At 31 May. 98	<u>11,546</u>	<u>867,794</u>	<u>103,057</u>	<u>329,164</u>	<u>1,311,561</u>
<b>Net book value:</b>					
At 31 May. 98	<u>47,010</u>	<u>85,957</u>	<u>49,411</u>	<u>69,956</u>	<u>252,334</u>
At 31 May. 97	<u>47,976</u>	<u>107,175</u>	<u>64,000</u>	<u>90,260</u>	<u>309,411</u>
				1998 £	1997 £
<b>Analysis of net book value of land and buildings:</b>					
Freehold				<u>47,010</u>	<u>47,976</u>

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998**

**6. TANGIBLE FIXED ASSETS - (continued)**

	1998 £	1997 £
Included above are assets held under finance leases or hire purchase contracts as follows:		
Net book values:		
Motor vehicles	6,758	13,517
Depreciation charge for the year:		
Motor vehicles	6,759	6,759

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

**7. INVESTMENTS**

Cost or valuation:	Beginning of year £	Additions £	End of year £
Other investments	12,724	1	12,725
Amounts written off:	Beginning of year £	Written off in year £	End of year £
Other investments	4,413	367	4,780
Net book value	8,311		7,945

**Other investments other than loans**

**Shares:**

	Book value 1998 £	Market value 1998 £	Book value 1997 £	Market value 1997 £
Listed:				
U.K. Stock Exchange	-	-	1	-
Unlisted	1,945	-	2,310	-

No provision has been made for the liability to corporation tax on chargeable gains that would arise if the above investments were disposed of at market value.

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998****7. INVESTMENTS - (continued)**

Shares in related undertakings:

Cost or valuation:

Beginning and  
end of year  
£

Shares:

Group undertaking

6.000

Net book value

6.000

Financial information summary:

Name and country of incorporation

Type of  
shareholdingProportion  
held

Ordinary shares

%

Thames Scaffolding Limited (registered in England)

1.000

100

The aggregate amount of capital and reserves and the results of these undertakings for the last financial year were as follows:-

Capital and  
reserves

Results

£

£

Thames Scaffolding Limited (Dormant)

109,241

-

**8. DEBTORS**

1998

1997

£

£

Trade debtors

170,365

80,359

Amounts owed by related undertakings

187,155

187,155

Other debtors

25,140

40,627

382,660

308,141

**9. CREDITORS: amounts falling due within one year**

1998

1997

£

£

Trade creditors

79,846

72,374

Amounts owed to group undertakings

109,055

109,055

Taxation and social security

156,517

128,393

Other creditors

258,137

274,592

603,555

584,414

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998**

9. **CREDITORS:** amounts falling due within one year - (continued)

10. **CREDITORS:** amounts falling due after more than one year

	1998	1997
	£	£
Other creditors	-	2,500

11. **OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS**

	1998	1997
	£	£
Net obligations (included in 'other creditors')	2,500	7,500

12. **SHARE CAPITAL**

	1998	1997
	£	£
Authorised:		
Equity interests:		
200,000 Ordinary shares of £1 each	200,000	200,000
Allotted, called up and fully paid:		
Equity interests:		
69,306 Ordinary shares of £1 each	69,306	69,306

13. **SHARE PREMIUM ACCOUNT**

	1998	1997
	£	£
Equity interests:		
Balance at beginning of year	9,459	9,459
Movements during the year	-	-
Balance at year end	9,459	9,459

14. **PROFIT AND LOSS ACCOUNT**

	1998	1997
	£	£
Retained profit at 1 June 1997	819,445	856,895
Loss at 31 May 1998	(12,403)	(37,451)
Retained profit at 31 May 1998	807,042	819,444

**COVENTRY SCAFFOLDING CO.(LONDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 1998**

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**15. REVENUE COMMITMENTS**

At year end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	1998	1997
	£	£
More than five years	21,000	21,000
	<u>21,000</u>	<u>21,000</u>

**16. RELATED PARTY DISCLOSURES**

During the year the company hired vehicles and materials from Palace Scaffolding Co.(London) Limited on normal commercial terms totalling £11,000 (1997-£51,302). Both companies are commonly controlled.

At 31 May 1998 the company owed £139,995 (1997-£136,070) to Palace Scaffolding Co.(London) Limited.

The company occupies premises owned by Coventry Properties Limited rent free. Both companies are commonly controlled.

At the balance sheet date the company was owed £187,155 (1997-£187,155) by Coventry Properties Limited