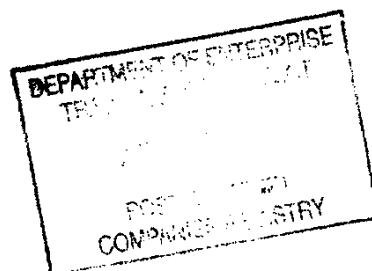
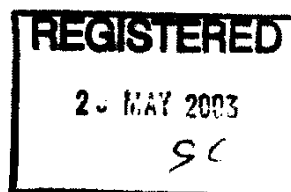


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Company Registration No. NI 5066 (Northern Ireland)

JAMES G MCALORUM LTD
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2001



JAMES G MCALORUM LTD

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JAMES G MCALORUM LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2001

The directors present their report and financial statements for the year ended 31 October 2001.

Principal activities and review of the business

The principal activity of the company continued to be that of house building.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Future developments

The directors expect the company to continue to consolidate its position within the house building sector in the Bangor area.

Directors

The following directors have held office since 1 November 2000:

John J McAlorum	
Richard E McAlorum	(Resigned 31 October 2001)
Samuel N R McKibbin	
James G McAlorum Jnr	
T Damien McAlorum	

In accordance with the company's Articles of Association, Mr John J McAlorum retires by rotation and, being eligible, offers himself for re-election.

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 October 2001	1 November 2000
John J McAlorum	3,333	3,333
Richard E McAlorum	-	-
Samuel N R McKibbin	-	-
James G McAlorum Jnr	3,333	3,333
T Damien McAlorum	3,333	3,333

Charitable contributions

During the year the company made political donations amounting to £- (2000 : £-).

During the year the company made charitable donations of £275 (2000 : £665).

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

JAMES G MCALORUM LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Article 393 of the Companies (Northern Ireland) Order 1986. Therefore, the auditors, Stanley Woods & Co., will be deemed to be reappointed for each succeeding financial year.

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 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 to enable them to ensure that the financial statements comply with the Companies (Northern Ireland) Order 1986. 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.

On behalf of the board



John J McAlorum

Director

21 May 2003

JAMES G MCALORUM LTD

INDEPENDENT AUDITORS' REPORT TO JAMES G MCALORUM LTD UNDER SECTION 255B OF THE COMPANIES (NORTHERN IRELAND) ORDER 1986

We have examined the abbreviated accounts set out on pages 4 to 17, together with the financial statements of the company for the year ended 31 October 2001 prepared under Article 234 of the Companies (Northern Ireland) Order 1986.

Respective responsibilities of directors and auditors

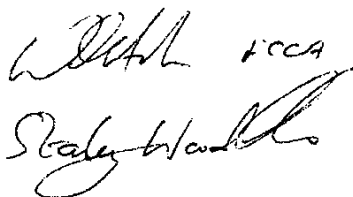
The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 4 to the Companies (Northern Ireland) Order 1986 as modified by Article 254A of that Order. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Order to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Article 254A(3) of the Companies (Northern Ireland) Order 1986, and the abbreviated accounts on pages 4 to 17 are properly prepared in accordance with that provision.



Stanley Woods & Co.

Certified Accountants
Registered Auditor

22 May 2003

26 Frances Street
Newtownards
Co. Down
BT23 7DR

JAMES G MCALORUM LTD

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2001

	Notes	2001 £	2000 £
Gross profit		921,712	789,156
Distribution costs		(85,754)	(59,315)
Administrative expenses		(422,726)	(262,130)
Operating profit	2	413,232	467,711
Other interest receivable and similar income		48,412	39,545
Amounts written off investments	3	(1,573)	-
Interest payable and similar charges	4	(25,958)	(11,728)
Profit on ordinary activities before taxation		434,113	495,528
Tax on profit on ordinary activities	5	(128,971)	(155,852)
Profit on ordinary activities after taxation	15	305,142	339,676

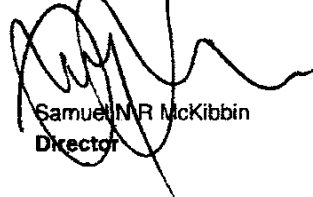
JAMES G MCALORUM LTD

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2001

	Notes	2001		2000	
		£	£	£	£
Fixed assets					
Tangible assets	6	959,601		104,423	
Investments	7	257,526		259,099	
		<u>1,217,127</u>		<u>363,522</u>	
Current assets					
Stocks	8	730,625		907,156	
Debtors	9	999,554		1,251,888	
Cash at bank and in hand		10,930		10,393	
		<u>1,741,109</u>		<u>2,169,437</u>	
Creditors: amounts falling due within one year	10	<u>(1,551,687)</u>		<u>(1,486,524)</u>	
Net current assets		<u>189,422</u>		<u>682,913</u>	
Total assets less current liabilities		<u>1,406,549</u>		<u>1,046,435</u>	
Creditors: amounts falling due after more than one year	11	(115,874)		(62,429)	
Provisions for liabilities and charges	13	(20,747)		(19,219)	
		<u>1,269,928</u>		<u>964,787</u>	
Capital and reserves					
Called up share capital	14	10,000		10,000	
Profit and loss account	15	1,259,928		954,787	
Shareholders' funds - equity interests	17	<u>1,269,928</u>		<u>964,787</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to medium-sized companies.

The financial statements were approved by the Board on 21 May 2003


Samuel MR McKibbin
Director

JAMES G MCALORUM LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2001

	2001		2000	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		596,499		(11,432)
Returns on investments and servicing of finance				
Interest received	48,412		39,545	
Interest paid	(25,958)		(11,728)	
Net cash inflow for returns on investments and servicing of finance		22,454		27,817
Taxation		(135,157)		(132,620)
Capital expenditure				
Payments to acquire tangible assets	(911,534)		(73,240)	
Receipts from sales of tangible assets	2,895		591	
Net cash outflow for capital expenditure		(908,639)		(72,649)
Net cash outflow before management of liquid resources and financing		(424,843)		(188,884)
Financing				
Capital element of hire purchase contracts	50,944		41,847	
Net cash inflow from financing		50,944		41,847
Decrease in cash in the year		(373,899)		(147,037)

JAMES G MCALORUM LTD

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2001

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2001	2000
		£	£
	Operating profit	413,232	467,711
	Depreciation of tangible assets	53,505	29,655
	(Profit)/loss on disposal of tangible assets	(25)	804
	Decrease/(increase) in stocks	176,531	(378,886)
	Decrease/(increase) in debtors	252,334	(57,490)
	Decrease in creditors within one year	(299,078)	(73,226)
	Net cash inflow/(outflow) from operating activities	596,499	(11,432)

2	Analysis of net debt	1 November 2000	Cash flow	Other non-cash changes	31 October 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	10,393	537	-	10,930
	Bank overdrafts	(328,965)	(374,436)	-	(703,401)
		(318,572)	(373,899)	-	(692,471)
	Debt:				
	Finance leases	(55,675)	(50,964)	-	(106,639)
	Net debt	(374,247)	(424,863)	-	(799,110)

3	Reconciliation of net cash flow to movement in net debt	2001	2000
		£	£
	Decrease in cash in the year	(373,899)	(147,037)
	Cash inflow from increase in debt and lease financing	(50,964)	(41,845)
	Movement in net debt in the year	(424,863)	(188,882)
	Opening net debt	(374,247)	(185,365)
	Closing net debt	(799,110)	(374,247)

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Nil
Plant and machinery	20% per annum
Fixtures, fittings & equipment	20% per annum
Motor vehicles	25% per annum

No depreciation is provided in respect of freehold land.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

1 Accounting policies (continued)

1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard requires a prior period adjustment to be made to recognise the liability which existed at the start of the financial year and which was not recognised under the old accounting policy. This has increased the deferred tax liability and reduced the retained profits by £19,219.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies (Northern Ireland) Order 1986 not to prepare group accounts.

2	Operating profit	2001 £	2000 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	53,505	29,655
	Loss on disposal of tangible assets	-	804
	Loss on foreign exchange transactions	-	1,028
	Operating lease rentals	27,513	27,545
	Auditors' remuneration	2,500	2,500
	and after crediting:		
	Profit on disposal of tangible assets	(25)	-

3	Amounts written off investments	2001 £	2000 £
	Amounts written off fixed asset investments:		
	- temporary diminution in value	1,573	-

The investment in Ailsaview Ltd was restated at the net Balance Sheet value of that subsidiary company at 31st March 2002. Ailsaview Ltd is now dormant.

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

4	Interest payable	2001	2000
		£	£
	On bank loans and overdrafts	20,480	8,386
	Hire purchase interest	5,478	770
	On overdue tax	-	2,572
		<u>25,958</u>	<u>11,728</u>
5	Taxation	2001	2000
		£	£
	Domestic current year tax		
	U.K. corporation tax	127,443	136,633
	Current tax charge	<u>127,443</u>	<u>136,633</u>
	Deferred tax		
	Deferred tax charge/credit current year	1,528	11,752
	Deferred tax adjust re previous year	-	7,467
		<u>1,528</u>	<u>19,219</u>
		<u>128,971</u>	<u>155,852</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>434,113</u>	<u>495,528</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2000 : 30.00%)	<u>130,234</u>	<u>148,658</u>
	Effects of:		
	Non deductible expenses	-	771
	Depreciation add back	16,516	9,138
	Capital allowances	(17,572)	(21,068)
	Chargeable disposals	-	162
	Other tax adjustments	(1,735)	(1,028)
		<u>(2,791)</u>	<u>(12,025)</u>
	Current tax charge	<u>127,443</u>	<u>136,633</u>

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

6 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 November 2000	-	163,481	10,269	96,046	269,796
Additions	778,527	34,891	8,915	89,220	911,553
Disposals	-	(18,765)	(1,711)	-	(20,476)
At 31 October 2001	778,527	179,607	17,473	185,266	1,160,873
Depreciation					
At 1 November 2000	-	106,675	5,321	53,377	165,373
On disposals	-	(16,773)	(833)	-	(17,606)
Charge for the year	-	17,939	2,594	32,972	53,505
At 31 October 2001	-	107,841	7,082	86,349	201,272
Net book value					
At 31 October 2001	778,527	71,766	10,391	98,917	959,601
At 31 October 2000	-	56,806	4,948	42,669	104,423

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 31 October 2001	24,000	83,958	107,958
At 31 October 2000	30,000	22,725	52,725
Depreciation charge for the year			
31 October 2001	6,000	27,987	33,987
31 October 2000	7,500	7,575	15,075

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 November 2000 & at 31 October 2001	297,683
Provisions for diminution in value	
At 1 November 2000	38,584
Charge for the year	1,573
At 31 October 2001	40,157
Net book value	
At 31 October 2001	257,526
At 31 October 2000	259,099
	Directors' valuation £
At 31 October 2001	257,526
At 31 October 2000	259,099

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Ailsaview Ltd	N. Ireland	Ordinary	100

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

	Capital and reserves 2001 £	Profit for the year 2001 £
Ailsaview Ltd	257,526	(1,573)

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

8 Stocks and work in progress	2001	2000
	£	£
Raw materials and consumables	16,500	16,500
Work in progress	714,125	890,656
	<u>730,625</u>	<u>907,156</u>

9 Debtors	2001	2000
	£	£
Trade debtors	131,540	56,165
Other debtors	866,327	1,193,306
Prepayments and accrued income	1,687	2,417
	<u>999,554</u>	<u>1,251,888</u>

Amounts falling due after more than one year and included in the debtors above are:

	2001	2000
	£	£
Other debtors	<u>2,054</u>	<u>6,324</u>

The long term debtor is in respect of a JCB which was sold in May 1999 and is being paid for over 4 years.

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

10 Creditors: amounts falling due within one year	2001 £	2000 £
Bank loans and overdrafts	703,401	328,965
Net obligations under hire purchase contracts	(9,235)	(6,754)
Trade creditors	308,564	471,767
Amounts owed to subsidiary undertakings	264,172	264,172
Corporation tax	126,614	134,328
Other taxes and social security costs	52,643	56,553
Directors' current accounts	44,077	28,402
Accruals and deferred income	61,451	209,091
	<u>1,551,687</u>	<u>1,486,524</u>

The bank overdraft is secured by cross company guarantees amounting to £300,000.

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand. The company expects to operate within the facility currently agreed. These views are based on the company's plans and on the successful outcome of discussions with the company's bankers.

11 Creditors: amounts falling due after more than one year	2001 £	2000 £
Net obligations under hire purchase contracts	<u>115,874</u>	<u>62,429</u>
Net obligations under hire purchase contracts		
Repayable between one and five years	<u>115,874</u>	<u>62,429</u>
	<u>115,874</u>	<u>62,429</u>
Finance charges and interest allocated to future accounting periods	(9,235)	(6,754)
	<u>106,639</u>	<u>55,675</u>
Included in liabilities falling due within one year	<u>9,235</u>	<u>6,754</u>
	<u>115,874</u>	<u>62,429</u>

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

12 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 November 2000	19,219
Profit and loss account	1,528
Balance at 31 October 2001	<u>20,747</u>

The deferred tax liability is made up as follows:

	2001 £	2000 £
Accelerated capital allowances	<u>20,747</u>	<u>19,219</u>

13 Pension costs

Defined contribution

	2001 £	2000 £
Contributions payable by the company for the year	<u>5,000</u>	<u>5,000</u>

14 Share capital

Authorised

10,000 Ordinary Shares of £ 1 each

	2001 £	2000 £
	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid

10,000 Ordinary Shares of £ 1 each

	2001 £	2000 £
	<u>10,000</u>	<u>10,000</u>

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2000	954,786
Retained profit for the year	305,142
Balance at 31 October 2001	<u>1,259,928</u>

JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

16 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial year	305,142	339,676
Opening shareholders' funds	964,787	625,111
Closing shareholders' funds	<u>1,269,928</u>	<u>964,787</u>

17 Financial commitments

At 31 October 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2001 £	2000 £
Expiry date:		
Within one year	<u>25,000</u>	<u>25,000</u>

The company occupies the premises at Dellmount Avenue on a year to year basis. No formal lease is held. The premises are owned by M/s J J, R E and N G McAlorum.

18 Directors' emoluments	2001 £	2000 £
Emoluments for qualifying services	324,137	195,669
Company pension contributions to money purchase schemes	5,000	5,000
	<u>329,137</u>	<u>200,669</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2000 - 4).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>175,000</u>	<u>75,000</u>
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JAMES G MCALORUM LTD

NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2001

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Production	10	9
Administration	2	2
Directors	5	5
	<u>17</u>	<u>16</u>

Employment costs

	£	£
Wages and salaries	479,789	331,194
Social security costs	35,290	20,043
Other pension costs	5,000	5,000
	<u>520,079</u>	<u>356,237</u>