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**JAMES G MCALORUM LTD**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 OCTOBER 2000**



# JAMES G MCALORUM LTD

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# JAMES G MCALORUM LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2000

The directors present their report and financial statements for the year ended 31 October 2000.

### 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.

### Fixed assets

The significant changes in fixed assets during the year are explained in notes 7 and 8 to the financial statements.

### 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 1999:

John J McAlorum  
Richard E McAlorum  
Samuel N R McKibbin  
James G McAlorum Jnr  
T Damien McAlorum

In accordance with the company's Articles of Association, Mr T Damien McAlorum retires by rotation and, being eligible, offers himself for re-election.

### Directors' interests

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

	Ordinary Shares of £ 1 each	
	31 October 2000	1 November 1999
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 £- (1999 : £-).

During the year the company made charitable donations of £665 (1999 : £950).

### 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 2000

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### Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 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 March 2001

# JAMES G MCALORUM LTD

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

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We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 31 October 2000 prepared under article 234 of the Companies (Northern Ireland) Order 1986.

### Respective responsibilities of directors and auditors

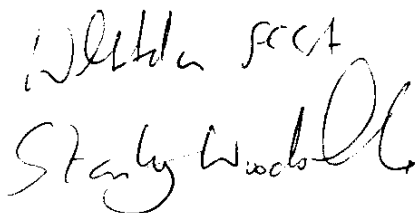
The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 4 to the Companies (Northern Ireland) Order 1986 as modified by article 254A of that Order. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated 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 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 15 are properly prepared in accordance with that provision.



Stanley Woods & Co.

21 March 2001

Certified Accountants  
Registered Auditor

26 Frances Street  
Newtownards  
Co. Down  
BT23 7DR

# JAMES G MCALORUM LTD

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2000

	Notes	2000 £	1999 £
Gross profit		791,599	691,526
Distribution costs		(59,315)	(53,400)
Administrative expenses		(264,630)	(233,224)
Other operating income		57	258
Operating profit	2	467,711	405,160
Other interest receivable and similar income		39,545	33,021
Amounts written off investments	3	-	(38,584)
Interest payable and similar charges	4	(11,728)	(12,802)
Profit on ordinary activities before taxation		495,528	386,795
Tax on profit on ordinary activities	5	(136,633)	(131,077)
Profit on ordinary activities after taxation	14	358,895	255,718

# JAMES G MCALORUM LTD

## ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2000

	Notes	2000 £	£	1999 £	£
<b>Fixed assets</b>					
Tangible assets	6		104,423		62,235
Investments	7		259,099		259,099
			363,522		321,334
<b>Current assets</b>					
Stocks	8	907,156		528,270	
Debtors	9	1,251,888		1,194,398	
Cash at bank and in hand		10,393		1,757	
		2,169,437		1,724,425	
<b>Creditors: amounts falling due within one year</b>	10	(1,486,524)		(1,405,888)	
<b>Net current assets</b>			682,913		318,537
<b>Total assets less current liabilities</b>			1,046,435		639,871
<b>Creditors: amounts falling due after more than one year</b>	11		(62,429)		(14,760)
			984,006		625,111
<b>Capital and reserves</b>					
Called up share capital	13		10,000		10,000
Profit and loss account	14		974,006		615,111
<b>Shareholders' funds</b>	15		984,006		625,111

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 March 2001

  
Samuel N R McKibbin  
Director

# JAMES G MCALORUM LTD

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2000

	2000 £	1999 £
<b>Net cash outflow from operating activities</b>	(11,432)	(84,346)
<b>Returns on investments and servicing of finance</b>		
Interest received	39,545	33,021
Interest paid	(11,728)	(12,802)
<b>Net cash inflow for returns on investments and servicing of finance</b>	27,817	20,219
<b>Taxation</b>	(132,620)	(68,518)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(73,240)	(21,944)
Receipts from sales of tangible assets	591	17,095
<b>Net cash outflow for capital expenditure</b>	(72,649)	(4,849)
<b>Net cash outflow before management of liquid resources and financing</b>	(188,884)	(137,494)
<b>Financing</b>		
Capital element of hire purchase contracts	(18,387)	(5,640)
<b>Net cash outflow from financing</b>	(18,387)	(5,640)
<b>Decrease in cash in the year</b>	<u>(207,271)</u>	<u>(143,134)</u>



# JAMES G MCALORUM LTD

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2000

1	Reconciliation of operating profit to net cash outflow from operating activities	2000	1999
		£	£
	Operating profit	467,711	405,160
	Depreciation of tangible assets	29,655	17,880
	Loss/(profit) on disposal of tangible assets	804	(1,121)
	Increase in stocks	(378,886)	(99,471)
	Increase in debtors	(57,490)	(733,578)
	(Decrease)/Increase in creditors within one year	(73,226)	326,784
	<b>Net cash outflow from operating activities</b>	<b>(11,432)</b>	<b>(84,346)</b>

2	Analysis of net debt	1 November 1999	Cash flow	Other non-cash changes	31 October 2000
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,757	8,636	-	10,393
	Bank overdrafts	(173,292)	(155,673)	-	(328,965)
		(171,535)	(147,037)	-	(318,572)
	Debt:				
	Finance leases	(13,830)	10,655	(52,500)	(55,675)
	<b>Net debt</b>	<b>(185,365)</b>	<b>(136,382)</b>	<b>(52,500)</b>	<b>(374,247)</b>

3	Reconciliation of net cash flow to movement in net debt	2000	1999
		£	£
	Decrease in cash in the year	(147,037)	(123,665)
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	10,655	(13,830)
	Change in net debt resulting from cash flows	(136,382)	(137,495)
	New finance lease	(52,500)	-
	<b>Movement in net debt in the year</b>	<b>(188,882)</b>	<b>(137,495)</b>
	Opening net debt	(185,365)	(47,870)
	<b>Closing net debt</b>	<b>(374,247)</b>	<b>(185,365)</b>

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2000

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### 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 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:

Plant and machinery	20% per annum
Fixtures, fittings & equipment	20% per annum
Motor vehicles	25% per annum

#### 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.

#### 1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 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.

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

### 1 Accounting policies

(continued)

#### 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

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	29,655	17,880
Operating lease rentals	34,404	36,521
Auditors' remuneration	2,500	1,500

### 3 Amounts written off investments

	2000	1999
	£	£
Amounts written off fixed asset investments:		
- temporary diminution in value	-	38,584

The investment in Allsview Ltd was restated at the net Balance Sheet value of that subsidiary company at 31st October 1999.

### 4 Interest payable

	2000	1999
	£	£
On bank loans and overdrafts	8,386	11,955
Hire purchase interest	770	810
On overdue tax	2,572	37
	11,728	12,802

### 5 Taxation

	2000	1999
	£	£
U.K. current year taxation		
U.K. corporation tax at 30% (1999 - 30%)	136,633	131,077

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

### 6 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 November 1999	130,501	10,860	67,046	208,407
Additions	42,100	2,140	29,000	73,240
Disposals	(9,120)	(2,732)	-	(11,852)
At 31 October 2000	163,481	10,268	96,046	269,795
<b>Depreciation</b>				
At 1 November 1999	101,045	5,975	39,154	146,174
On disposals	(8,567)	(1,890)	-	(10,457)
Charge for the year	14,197	1,235	14,223	29,655
At 31 October 2000	106,675	5,320	53,377	165,372
<b>Net book value</b>				
At 31 October 2000	56,806	4,948	42,669	104,423
At 31 October 1999	29,458	4,885	27,892	62,235

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

	Plant and machinery	Motor vehicles	Total
	£	£	£
<b>Net book values</b>			
At 31 October 2000	30,000	22,725	52,725
At 31 October 1999	-	15,300	15,300
<b>Depreciation charge for the year</b>			
31 October 2000	7,500	7,575	15,075
31 October 1999	-	5,100	5,100

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

### 7 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 November 1999 & at 31 October 2000	297,683
<b>Provisions for diminution in value</b>	
At 1 November 1999 & at 31 October 2000	38,584
<b>Net book value</b>	
At 31 October 2000	259,099
At 31 October 1999	259,099

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

	Directors' valuation £
At 31 October 2000	259,099
At 31 October 1999	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	%
<b>Subsidiary undertakings</b>			
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	Profit for the year
Ailsaview Ltd	259,099	-

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

8	Stocks and work in progress	2000 £	1999 £
	Raw materials and consumables	16,500	16,500
	Work in progress	890,656	511,770
		<u>907,156</u>	<u>528,270</u>

9	Debtors	2000 £	1999 £
	Trade debtors	56,165	91,785
	Other debtors	1,193,306	1,098,988
	Prepayments and accrued income	2,417	3,625
		<u>1,251,888</u>	<u>1,194,398</u>

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

	2000 £	1999 £
Other debtors	<u>6,324</u>	<u>10,105</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 2000

<b>13 Share capital</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
10,000 Ordinary Shares of £ 1 each	10,000	10,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary Shares of £ 1 each	10,000	10,000
	<u>          </u>	<u>          </u>

### 14 Statement of movements on profit and loss account

	<b>Profit and loss account £</b>
Balance at 1 November 1999	615,111
Retained profit for the year	358,895
	<u>          </u>
Balance at 31 October 2000	974,006
	<u>          </u>

<b>15 Reconciliation of movements in shareholders' funds</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	358,895	255,718
Opening shareholders' funds	625,111	369,393
	<u>          </u>	<u>          </u>
Closing shareholders' funds	984,006	625,111
	<u>          </u>	<u>          </u>

### 16 Financial commitments

At 31 October 2000 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Within one year	25,000	25,000
	<u>          </u>	<u>          </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.

# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

### 17 Directors' emoluments

	2000 £	1999 £
Emoluments for qualifying services	174,773	172,789
Company pension contributions to money purchase schemes	5,000	10,200
	179,773	182,989

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (1999 - 4).

### 18 Employees

#### Number of employees

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

	2000 Number	1999 Number
Production	9	7
Administration	2	2
Directors	5	5
	16	14

#### Employment costs

	£	£
Wages and salaries	331,194	301,603
Social security costs	20,043	19,634
Other pension costs	5,000	10,200
	356,237	331,437



# JAMES G MCALORUM LTD

## NOTES TO THE MODIFIED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2000

10 Creditors: amounts falling due within one year	2000 £	1999 £
Bank loans and overdrafts	328,965	173,292
Net obligations under hire purchase contracts	(6,754)	(930)
Trade creditors	471,767	547,853
Amounts owed to subsidiary undertakings	264,172	264,172
Corporation tax	134,328	88,315
Other taxes and social security costs	56,553	112,264
Directors' current accounts	28,402	24,907
Accruals and deferred income	209,091	196,015
	<u>1,486,524</u>	<u>1,405,888</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	2000 £	1999 £
Net obligations under hire purchase contracts	<u>62,429</u>	<u>14,760</u>
<b>Net obligations under hire purchase contracts</b>		
Repayable between one and five years	62,429	14,760
	<u>62,429</u>	<u>14,760</u>
Finance charges and interest allocated to future accounting periods	(6,754)	(930)
	<u>55,675</u>	<u>13,830</u>
Included in liabilities falling due within one year	6,754	930
	<u>62,429</u>	<u>14,760</u>

### 12 Pension costs

The company operates a 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.