

Report of the Directors and
Financial Statements for the year ended 30th June 2004
for
Byrne Contractors Limited



Byrne Contractors Limited

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for the year ended 30th June 2004

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Byrne Contractors Limited

Company Information
for the year ended 30th June 2004

DIRECTORS:

J. Byrne
R. Byrne
M.P.E. Byrne
M.R. Edwards
J.D. Perks
M.J. White
M.J. Willmott

SECRETARY:

R. Byrne

REGISTERED OFFICE:

Byrnes
Third Avenue
Chatham
Kent
ME5 0AD

REGISTERED NUMBER:

1994275

AUDITORS:

Beak Kemmenoe
Chartered Accountants
& Registered Auditors
1-3 Manor Road
Chatham
Kent
ME4 6AE

Byrne Contractors Limited
Report of the Directors
for the year ended 30th June 2004

The directors present their report with the financial statements of the company for the year ended 30th June 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of civil engineering contractor.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are pleased to report another profitable trading year with growth in the company's core activities. The company continues to win quality contracts which will underpin the future of the company.

DIRECTORS

The directors during the year under review were:

J. Byrne
R. Byrne
M.P.E. Byrne
M.R. Edwards
J.D. Perks
M.J. White
M.J. Willmott

The beneficial interests of the directors holding office on 30th June 2004 in the issued share capital of the company were as follows:

	30.6.04	1.7.03
Ordinary £1 shares		
J. Byrne	45	45
R. Byrne	25	25
M.P.E. Byrne	15	15
M.R. Edwards	15	15
J.D. Perks	-	-
M.J. White	-	-
M.J. Willmott	-	-

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the company is a close company within the meaning of s.414 Income and Corporation Taxes Act, 1998 (as amended).

STATEMENT OF 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 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.

Byrne Contractors Limited

Report of the Directors
for the year ended 30th June 2004

AUDITORS

The auditors, Beak Kemmenoe, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



.....
M.P.E. Byrne - Director

Date: *12th October 2004*
.....

Report of the Independent Auditors to the Shareholders of Byrne Contractors Limited

We have audited the financial statements of Byrne Contractors Limited for the year ended 30th June 2004 on pages five to twelve. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 that 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 the company's affairs as at 30th June 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Beak Kemmenoe
Chartered Accountants
& Registered Auditors
1-3 Manor Road
Chatham
Kent
ME4 6AE

Date: 12th October 2004

Byrne Contractors Limited

Profit and Loss Account
for the year ended 30th June 2004

	Notes	2004 £	2003 £
TURNOVER		6,364,708	6,282,308
Cost of sales		<u>6,110,843</u>	<u>6,001,599</u>
GROSS PROFIT		253,865	280,709
Administrative expenses		<u>151,602</u>	<u>129,254</u>
OPERATING PROFIT	3	102,263	151,455
Interest receivable and similar income		<u>798</u>	<u>1,042</u>
		103,061	152,497
Interest payable and similar charges	4	<u>1,654</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		101,407	152,497
Tax on profit on ordinary activities	5	<u>19,908</u>	<u>29,936</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		81,499	122,561
RETAINED PROFIT FOR THE YEAR		81,499	122,561

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Byrne Contractors Limited

Balance Sheet 30th June 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Stocks	6	1,360,736	1,336,644
Debtors	7	469,684	525,075
Cash at bank		127,243	109,472
		<u>1,957,663</u>	<u>1,971,191</u>
CREDITORS			
Amounts falling due within one year	8	1,058,913	1,153,940
NET CURRENT ASSETS		<u>898,750</u>	<u>817,251</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>898,750</u>	<u>817,251</u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account	12	898,650	817,151
SHAREHOLDERS' FUNDS	14	<u>898,750</u>	<u>817,251</u>

ON BEHALF OF THE BOARD:



M.P.E. Byrne - Director

Approved by the Board on 12th October 2004

The notes form part of these financial statements

Byrne Contractors Limited

Cash Flow Statement
for the year ended 30th June 2004

	Notes	2004 £	2003 £
Net cash inflow from operating activities	1	26,357	92,506
Returns on investments and servicing of finance	2	(856)	1,042
Taxation		<u>(29,936)</u>	<u>(38,587)</u>
(Decrease)/Increase in cash in the period		<u>(4,435)</u>	<u>54,961</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/Increase in cash in the period		<u>(4,435)</u>	<u>54,961</u>
Change in net debt resulting from cash flows		<u>(4,435)</u>	<u>54,961</u>
Movement in net debt in the period		<u>(4,435)</u>	54,961
Net debt at 1st July		<u>(85,866)</u>	<u>(140,827)</u>
Net debt at 30th June		<u>(90,301)</u>	<u>(85,866)</u>

The notes form part of these financial statements

Byrne Contractors Limited

Notes to the Cash Flow Statement
for the year ended 30th June 2004

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2004 £	2003 £
Operating profit	102,263	151,455
Increase in stocks	(24,092)	(33,376)
Decrease/(Increase) in debtors	55,391	(3)
Decrease in creditors	(107,205)	(25,570)
Net cash inflow from operating activities	<u>26,357</u>	<u>92,506</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2004 £	2003 £
Returns on investments and servicing of finance		
Interest received	798	1,042
Interest paid	(1,654)	-
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(856)</u>	<u>1,042</u>

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.7.03 £	Cash flow £	At 30.6.04 £
Net cash:			
Cash at bank	109,472	17,771	127,243
Bank overdraft	(195,338)	(22,206)	(217,544)
	<u>(85,866)</u>	<u>(4,435)</u>	<u>(90,301)</u>
Total	<u>(85,866)</u>	<u>(4,435)</u>	<u>(90,301)</u>

The notes form part of these financial statements

Byrne Contractors Limited

Notes to the Financial Statements for the year ended 30th June 2004

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided excluding VAT and trade discounts.

Stocks

Work in progress is valued at the lower of cost and net realisable value.

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

2. STAFF COSTS

	2004	2003
	£	£
Wages and salaries	1,251,858	1,205,497
Social security costs	<u>117,034</u>	<u>106,081</u>
	<u>1,368,892</u>	<u>1,311,578</u>

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

	2004	2003
Contracts	54	56
Management and administration	<u>7</u>	<u>7</u>
	<u>61</u>	<u>63</u>

No directors' emoluments were paid by the company. All directors are employees of an associated company J. Byrne Plant Hire & Civil Engineering Limited.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2004	2003
	£	£
Audit fees	<u>6,250</u>	<u>6,000</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	<u>1,654</u>	<u>-</u>

Byrne Contractors Limited

Notes to the Financial Statements - continued for the year ended 30th June 2004

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2004 £	2003 £
Current tax:		
UK corporation tax	<u>19,908</u>	<u>29,936</u>
Tax on profit on ordinary activities	<u>19,908</u>	<u>29,936</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>101,407</u>	<u>152,497</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003 - 30%)	19,267	45,749
Effects of:		
Expenses not deductible for tax purposes	641	566
Marginal rate relief	-	(16,379)
Current tax charge	<u>19,908</u>	<u>29,936</u>

6. STOCKS

	2004 £	2003 £
Work-in-progress	<u>1,360,736</u>	<u>1,336,644</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Trade debtors	450,832	510,597
Other debtors	15,602	374
Prepayments and accrued income	<u>3,250</u>	<u>14,104</u>
	<u>469,684</u>	<u>525,075</u>

Byrne Contractors Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2004

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2004	2003
	£	£
Bank loans and overdrafts (see note 9)	217,544	195,338
Trade creditors	357,546	435,858
Corporation tax	19,908	29,936
Social security and other taxes	39,825	42,096
Other creditors	370,303	403,883
Accruals and deferred income	53,787	46,829
	<u>1,058,913</u>	<u>1,153,940</u>

9. **LOANS**

An analysis of the maturity of loans is given below:

	2004	2003
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>217,544</u>	<u>195,338</u>

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	2004	2003
	£	£
Bank overdraft	<u>217,544</u>	<u>195,338</u>

The bank overdraft is secured by a mortgage debenture over all the assets of the company.

11. **CALLED UP SHARE CAPITAL**

Authorised:			2004	2003
Number:	Class:	Nominal value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:			2004	2003
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Byrne Contractors Limited

Notes to the Financial Statements - continued for the year ended 30th June 2004

12. RESERVES

	Profit and loss account £
At 1st July 2003	817,151
Retained profit for the year	<u>81,499</u>
At 30th June 2004	<u>898,650</u>

13. RELATED PARTY DISCLOSURES

The following related parties existed during the period. The nature of the relationship for each of them was that of shared directors and shareholders.

		2004	2003
J. Byrne Plant Hire & Civil Engineering Ltd	Plant hire and subcontractors	1,612,668	1,668,928
	Trade creditors	119,650	116,859
	Other creditors	356,956	379,216

No amounts were written off in the year.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the financial year	<u>81,499</u>	<u>122,561</u>
Net addition to shareholders' funds	81,499	122,561
Opening shareholders' funds	<u>817,251</u>	<u>694,690</u>
Closing shareholders' funds	<u>898,750</u>	<u>817,251</u>
Equity interests	<u>898,750</u>	<u>817,251</u>