

REGISTERED NUMBER: 095134 (Scotland)

**Acumen**  
accountants + advisors

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2001  
FOR  
LES TAYLOR CONTRACTORS LIMITED**



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**for the Year Ended 31 December 2001**

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**LES TAYLOR CONTRACTORS LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 December 2001**

**DIRECTORS:**

L P Taylor  
Mrs J S Taylor  
S P Gilmartin  
I Nelson

**SECRETARY:**

Masson & Glennie

**REGISTERED OFFICE:**

Broad House  
Broad Street  
Peterhead  
AB42 6JA

**REGISTERED NUMBER:**

095134 (Scotland)

**AUDITORS:**

Acumen Accountants and Advisors Limited  
Registered Auditors  
*Bon Accord House*  
Riverside Drive  
ABERDEEN  
AB11 7SL

# LES TAYLOR CONTRACTORS LIMITED

## REPORT OF THE DIRECTORS for the Year Ended 31 December 2001

The directors present their report with the financial statements of the company for the year ended 31 December 2001.

### PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of earthworks, civil engineering specialising in bridgeworks and structural repairs, haulage and plant hire. The principal activities of its subsidiary companies were, in respect of J G Fowle (Contractors) Limited, those of demolition experts and asbestos removal specialists and in respect of Les Taylor Construction Limited that of civil engineering. With effect from 1 January 2002, the trading activities of Les Taylor Construction Limited were taken over by the company.

### REVIEW OF BUSINESS

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

### DIVIDENDS

No dividends will be distributed for the year ended 31 December 2001.

### DIRECTORS

The directors during the year under review were:

L P Taylor	
Mrs J S Taylor	
S P Gilmartin	
I Nelson	
P A Thompson	- resigned 29.10.01

The beneficial interests of the directors holding office on 31 December 2001 in the issued share capital of the company were as follows:

	31.12.01	1.1.01
<b>Ordinary "A" £1 shares</b>		
L P Taylor	281,630	281,630
Mrs J S Taylor	275,000	275,000
S P Gilmartin	128,852	128,852
I Nelson	-	-
<b>Ordinary "B" £1 shares</b>		
L P Taylor	-	-
Mrs J S Taylor	-	-
S P Gilmartin	100	100
I Nelson	-	-

Share options granted to directors are detailed in Note 19 of the notes to the financial statements.

### 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.

**LES TAYLOR CONTRACTORS LIMITED**

**REPORT OF THE DIRECTORS**  
for the Year Ended 31 December 2001

**AUDITORS**

The auditors, Acumen Accountants and Advisors Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'L P Taylor', with a small comma at the end.

L P Taylor - DIRECTOR

Dated: 13 November 2002

**LES TAYLOR CONTRACTORS LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
LES TAYLOR CONTRACTORS LIMITED**

We have audited the financial statements of Les Taylor Contractors Limited for the year ended 31 December 2001 on pages five to twenty two. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

**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 affairs of the company and of the group as at 31 December 2001 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Acumen Accountants and Advisors Limited  
Registered Auditors  
Bon Accord House  
Riverside Drive  
ABERDEEN  
AB11 7SL

Dated: 13 November 2002

**LES TAYLOR CONTRACTORS LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
for the Year Ended 31 December 2001

		2001		2000	
	Notes	£	£	£	£
<b>TURNOVER</b>			19,931,021		15,625,448
Continuing operations		19,931,021		15,033,948	
Acquisitions		-		591,500	
		<u>19,931,021</u>		<u>15,625,448</u>	
Cost of sales	2		<u>16,432,144</u>		<u>12,839,811</u>
<b>GROSS PROFIT</b>	2		3,498,877		2,785,637
Net operating expenses	2		<u>2,047,707</u>		<u>1,844,386</u>
<b>OPERATING PROFIT</b>	4		1,451,170		941,251
Continuing operations		1,451,170		889,658	
Acquisitions		-		51,593	
		<u>1,451,170</u>		<u>941,251</u>	
Interest receivable and similar income			<u>78,160</u>		<u>75,151</u>
			1,529,330		1,016,402
Interest payable and similar charges	5		<u>115,565</u>		<u>124,196</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			1,413,765		892,206
Tax on profit on ordinary activities	6		<u>418,507</u>		<u>259,757</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			995,258		632,449
Retained profit brought forward			<u>3,197,916</u>		<u>2,565,467</u>
Purchase of own shares			4,193,174		3,197,916
Revaluation reserve release			(88,975)		-
			<u>55,017</u>		<u>-</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>			<u>£4,159,216</u>		<u>£3,197,916</u>

The notes form part of these financial statements

**LES TAYLOR CONTRACTORS LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
for the Year Ended 31 December 2001

	<u>2001</u>	<u>2000</u>
	£	£
<b>PROFIT FOR THE FINANCIAL YEAR</b>	995,258	632,449
Revaluation of land & property	<u>-</u>	<u>205,801</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES</b>		
<b>RELATING TO THE YEAR</b>	<u>£995,258</u>	<u>£838,250</u>

The notes form part of these financial statements



**LES TAYLOR CONTRACTORS LIMITED**

**CONSOLIDATED BALANCE SHEET**

**31 December 2001**

		2001		2000	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Intangible assets	8		(102,264)		(127,830)
Tangible assets	9		6,569,902		5,951,015
Investments	10		-		-
			6,467,638		5,823,185
<b>CURRENT ASSETS:</b>					
Stocks	11	882,138		1,191,259	
Debtors	12	3,583,796		2,426,158	
Cash in hand		<u>1,604,458</u>		<u>1,297,235</u>	
		6,070,392		4,914,652	
<b>CREDITORS:</b> Amounts falling due within one year	13	<u>5,079,580</u>		<u>4,349,779</u>	
<b>NET CURRENT ASSETS:</b>			<u>990,812</u>		<u>564,873</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			7,458,450		6,388,058
<b>CREDITORS:</b> Amounts falling due after more than one year	14		(844,269)		(738,306)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	18		<u>(638,788)</u>		<u>(580,642)</u>
			<u>£5,975,393</u>		<u>£5,069,110</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	19		685,582		698,842
Share premium	20		771,614		771,614
Revaluation reserve	21		345,721		400,738
Capital redemption reserve	22		13,260		-
Profit and loss account			<u>4,159,216</u>		<u>3,197,916</u>
<b>SHAREHOLDERS' FUNDS:</b>	24		<u>£5,975,393</u>		<u>£5,069,110</u>

**ON BEHALF OF THE BOARD:**

*L Taylor*

L P Taylor - DIRECTOR

Approved by the Board on 13 November 2002

The notes form part of these financial statements

LES TAYLOR CONTRACTORS LIMITED

COMPANY BALANCE SHEET

31 December 2001

		2001		2000	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9		6,452,130		5,704,803
Investments	10		<u>644,666</u>		<u>644,666</u>
			7,096,796		6,349,469
<b>CURRENT ASSETS:</b>					
Stocks	11	787,138		1,106,621	
Debtors	12	3,969,713		2,401,286	
Cash in hand		<u>1,425,413</u>		<u>900,710</u>	
		6,182,264		4,408,617	
<b>CREDITORS:</b> Amounts falling due within one year	13	<u>6,114,772</u>		<u>4,452,584</u>	
<b>NET CURRENT ASSETS/(LIABILITIES):</b>			<u>67,492</u>		<u>(43,967)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			7,164,288		6,305,502
<b>CREDITORS:</b> Amounts falling due after more than one year	14		(844,269)		(738,306)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	18		<u>(625,534)</u>		<u>(555,141)</u>
			<u>£5,694,485</u>		<u>£5,012,055</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	19		685,582		698,842
Share premium	20		771,614		771,614
Revaluation reserve	21		345,721		400,738
Capital redemption reserve	22		13,260		-
Profit and loss account			<u>3,878,308</u>		<u>3,140,861</u>
<b>SHAREHOLDERS' FUNDS:</b>	24		<u>£5,694,485</u>		<u>£5,012,055</u>

ON BEHALF OF THE BOARD:



L P Taylor - DIRECTOR

Approved by the Board on 13 November 2002

The notes form part of these financial statements

**LES TAYLOR CONTRACTORS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**  
for the Year Ended 31 December 2001

		2001		2000	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		1,968,976		703,198
Returns on investments and servicing of finance	2		(37,405)		(49,045)
Taxation			(175,715)		(459,091)
Capital expenditure	2		(501,008)		(367,546)
Acquisitions and disposals	2		-		163,638
			<u>1,254,848</u>		<u>(8,846)</u>
Financing	2		<u>(1,209,917)</u>		<u>(345,513)</u>
Increase/(Decrease) in cash in the period			<u><u>£44,931</u></u>		<u><u>£(354,359)</u></u>

**Reconciliation of net cash flow to movement in net debt**

	3		
Increase/(Decrease) in cash in the period		44,929	(354,359)
Cash outflow from decrease in debt and lease financing		<u>1,120,942</u>	<u>1,103,003</u>
Change in net debt resulting from cash flows		1,165,871	748,644
New finance leases		<u>(1,258,932)</u>	<u>(1,066,946)</u>
Movement in net debt in the period		(93,061)	(318,302)
Net debt at 1 January		<u>(698,784)</u>	<u>(380,482)</u>
Net debt at 31 December		<u><u>£(791,845)</u></u>	<u><u>£(698,784)</u></u>

The notes form part of these financial statements

# LES TAYLOR CONTRACTORS LIMITED

## NOTES TO THE CASH FLOW STATEMENT for the Year Ended 31 December 2001

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

	2001 £	2000 £
Operating profit	1,451,170	941,251
Depreciation charges	1,010,495	881,080
Loss on sale of fixed assets	104,994	98,452
Decrease/(Increase) in stocks	309,121	(394,769)
Increase in debtors	(1,157,638)	(587,369)
Increase/(Decrease) in creditors	250,834	(235,447)
<b>Net cash inflow from operating activities</b>	<b><u>1,968,976</u></b>	<b><u>703,198</u></b>

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

	2001 £	2000 £
<b>Returns on investments and servicing of finance</b>		
Interest received	78,160	75,151
Interest paid	(48,497)	(42,695)
Interest element of hire purchase payments	(67,068)	(81,501)
Net cash outflow for returns on investments and servicing of finance	<u>(37,405)</u>	<u>(49,045)</u>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	-	127,830
Purchase of tangible fixed assets	(1,086,536)	(926,351)
Sale of tangible fixed assets	585,528	430,975
Net cash outflow for capital expenditure	<u>(501,008)</u>	<u>(367,546)</u>
<b>Acquisitions and disposals</b>		
Subsidiary assets acquired	-	110,587
Subsidiary debtors acquired	-	264,745
Subsidiary creditors acquired	-	(466,680)
Subsidiary cash balances acquired	-	382,815
Negative goodwill acquired	-	(127,829)
Net cash inflow for acquisitions and disposals	<u>-</u>	<u>163,638</u>
<b>Financing</b>		
Loan repayments in year	(27,776)	(23,272)
Net HP repayments	(1,093,166)	(1,079,731)
Amount withdrawn by directors	-	(6,398)
Issue of shares	-	763,888
Purchase of own shares	(88,975)	-
Net cash outflow from financing	<u>(1,209,917)</u>	<u>(345,513)</u>

The notes form part of these financial statements

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
for the Year Ended 31 December 2001

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

	At 1.1.01 £	Cash flow £	Other non-cash changes £	At 31.12.01 £
<b>Net cash:</b>				
Cash at bank and in hand	1,297,235	307,223		1,604,458
Bank overdraft	<u>(601,409)</u>	<u>(262,294)</u>		<u>(863,703)</u>
	<u>695,826</u>	<u>44,929</u>		<u>740,755</u>
<b>Debt:</b>				
Hire purchase	(1,167,620)	1,093,166	(1,258,932)	(1,333,386)
Debts falling due within one year	(44,645)	1,374	-	(43,271)
Debts falling due after one year	<u>(182,345)</u>	<u>26,402</u>	<u>-</u>	<u>(155,943)</u>
	<u>(1,394,610)</u>	<u>1,120,942</u>	<u>(1,258,932)</u>	<u>(1,532,600)</u>
<b>Total</b>	<u>(698,784)</u>	<u>1,165,871</u>	<u>(1,258,932)</u>	<u>(791,845)</u>
<b>Analysed in Balance Sheet</b>				
Cash at bank and in hand	1,297,235			1,604,458
Bank overdraft	(601,409)			(863,703)
Hire purchase				
within one year	(611,659)			(645,060)
after one year	(555,961)			(688,326)
Debts falling due within one year	(44,645)			(43,271)
Debts falling due after one year	<u>(182,345)</u>			<u>(155,943)</u>
	<u>(698,784)</u>			<u>(791,845)</u>

# LES TAYLOR CONTRACTORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2001

### 1. ACCOUNTING POLICIES

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

#### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2000, is being written off evenly over its estimated useful life of five years.

#### **Tangible fixed assets**

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

Freehold land and property	- 4% on cost
Plant	- at variable rates on reducing balance
Office equipment	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance
Equipment	- 25% on cost

#### **Stocks**

Stock 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 proportion of fixed and variable overheads.

Work in progress is valued in accordance with long term work in progress per Statement of Standard Accounting Practice 9, due to the nature of the ongoing contracts at the year end.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

#### **Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

#### **Basis of consolidation**

The consolidated financial statements include the company and all of its subsidiary undertakings. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal. Intra-group sales and profits are eliminated fully on consolidation.

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

**2. ANALYSIS OF OPERATIONS**

	Continuing £	2001 Acquisitions £	Total £
Cost of sales	<u>16,432,144</u>	<u>-</u>	<u>16,432,144</u>
Gross profit	<u>3,498,877</u>	<u>-</u>	<u>3,498,877</u>
Net operating expenses:			
Administrative expenses	<u>2,047,707</u>	<u>-</u>	<u>2,047,707</u>
	Continuing £	2000 Acquisitions £	Total £
Cost of sales	<u>12,399,466</u>	<u>440,345</u>	<u>12,839,811</u>
Gross profit	<u>2,634,482</u>	<u>151,155</u>	<u>2,785,637</u>
Net operating expenses:			
Administrative expenses	1,756,658	99,562	1,856,220
Other operating income	<u>(11,834)</u>	<u>-</u>	<u>(11,834)</u>
	<u>1,744,824</u>	<u>99,562</u>	<u>1,844,386</u>

**3. STAFF COSTS**

	2001 £	2000 £
Wages and salaries	7,186,168	5,735,197
Social security costs	253,476	538,670
Other pension costs	<u>46,993</u>	<u>46,199</u>
	<u>7,486,637</u>	<u>6,320,066</u>

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

	2001	2000
Management	5	5
Administration	31	31
Drivers, labourers and plant operators	<u>218</u>	<u>201</u>
	<u>254</u>	<u>237</u>

# LES TAYLOR CONTRACTORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2001

### 4. OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Hire of plant and machinery	733,371	613,999
Depreciation - owned assets	1,036,061	881,080
Loss on disposal of fixed assets	104,994	98,452
Goodwill written off	(25,566)	-
Auditors' remuneration	<u>17,500</u>	<u>17,000</u>
Directors' emoluments	<u>534,578</u>	<u>637,072</u>

Information regarding the highest paid director is as follows:

	2001 £	2000 £
Emoluments etc	<u>243,609</u>	<u>405,203</u>

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Bank interest	36,350	22,498
Bank loan interest	12,147	20,197
Hire purchase interest	<u>67,068</u>	<u>81,501</u>
	<u>115,565</u>	<u>124,196</u>

### 6. TAXATION

#### Analysis of the tax charge

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

	2001 £	2000 £
Current tax:		
UK corporation tax	362,448	249,828
Prior year - under provision	(2,081)	6,898
Corporation tax recoverable	<u>(6)</u>	<u>-</u>
Total current tax	<u>360,361</u>	<u>256,726</u>
Deferred tax:		
Deferred taxation	58,146	3,031
Tax on profit on ordinary activities	<u>418,507</u>	<u>259,757</u>

### 7. PROFIT FOR THE FINANCIAL YEAR

As permitted by Section 230 of the Companies Act 1985, the holding company's profit and loss has not been included in these financial statements. The profit for the financial year includes the following:

	2001 £	2000 £
Holding company's profit for the financial year:	<u>771,405</u>	<u>449,602</u>



**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

**8. INTANGIBLE FIXED ASSETS**

	<u>Goodwill</u>
	£
<b>COST:</b>	
At 1 January 2001	
and 31 December 2001	<u>(127,830)</u>
<b>AMORTISATION:</b>	
Charge for year	<u>(25,566)</u>
At 31 December 2001	<u>(25,566)</u>
<b>NET BOOK VALUE:</b>	
At 31 December 2001	<u>(102,264)</u>
At 31 December 2000	<u>(127,830)</u>

Negative goodwill of £127,830 arose in respect of the acquisition during the year ended 31 December 2000 of the entire issued share capital of Les Taylor Construction Limited.

**9. TANGIBLE FIXED ASSETS - Group**

	<u>Freehold land and property</u>	<u>Plant</u>	<u>Office equipment</u>
	£	£	£
<b>COST OR VALUATION:</b>			
At 1 January 2001	829,040	6,703,040	93,802
Additions	6,500	2,032,209	16,961
Disposals	<u>-</u>	<u>(1,155,161)</u>	<u>(7,306)</u>
At 31 December 2001	<u>835,540</u>	<u>7,580,088</u>	<u>103,457</u>
<b>DEPRECIATION:</b>			
At 1 January 2001	127,901	2,043,351	45,493
Charge for year	33,357	808,622	12,714
Eliminated on disposals	<u>-</u>	<u>(533,423)</u>	<u>(4,856)</u>
At 31 December 2001	<u>161,258</u>	<u>2,318,550</u>	<u>53,351</u>
<b>NET BOOK VALUE:</b>			
At 31 December 2001	<u>674,282</u>	<u>5,261,538</u>	<u>50,106</u>
At 31 December 2000	<u>701,138</u>	<u>4,659,688</u>	<u>48,310</u>

LES TAYLOR CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2001

9. TANGIBLE FIXED ASSETS – Group – continued

	Motor vehicles	Equipment	Totals
	£	£	£
<b>COST OR VALUATION:</b>			
At 1 January 2001	868,687	75,589	8,570,158
Additions	265,948	23,850	2,345,468
Disposals	(153,091)	-	(1,315,558)
At 31 December 2001	<u>981,544</u>	<u>99,439</u>	<u>9,600,068</u>
<b>DEPRECIATION:</b>			
At 1 January 2001	349,427	52,969	2,619,141
Charge for year	162,681	18,687	1,036,061
Eliminated on disposals	(86,757)	-	(625,036)
At 31 December 2001	<u>425,351</u>	<u>71,656</u>	<u>3,030,166</u>
<b>NET BOOK VALUE:</b>			
At 31 December 2001	<u>556,193</u>	<u>27,783</u>	<u>6,569,902</u>
At 31 December 2000	<u>519,260</u>	<u>22,619</u>	<u>5,951,015</u>

Included in land and buildings is freehold land valued at £49,241 (2000 - £49,241) which is not depreciated.

The freehold property and land was revalued in December 2000 by Aberdeen and Northern (Estates) Limited at £685,000. The valuers are independent and the valuations were based on open market value. The valuation has been made in accordance with RICS Statements of Asset Valuation Practice and Guidance Notes.

Included within the net book value of tangible fixed assets above are assets held under hire purchase agreements amounting to £2,840,007 (2000: £2,157,296) in respect of Plant and machinery and £83,869 (2000: £91,850) in respect of Motor vehicles.

Cost or valuation at 31 December 2001 is represented by:

	Freehold land and property	Plant	Office equipment
	£	£	£
Valuation in 1995	194,937	-	-
Valuation in 2000	205,801	-	-
Cost	<u>434,802</u>	<u>7,580,088</u>	<u>103,457</u>
	<u>835,540</u>	<u>7,580,088</u>	<u>103,457</u>

  

	Motor vehicles	Equipment	Totals
	£	£	£
Valuation in 1995	-	-	194,937
Valuation in 2000	-	-	205,801
Cost	<u>981,544</u>	<u>99,439</u>	<u>9,199,330</u>
	<u>981,544</u>	<u>99,439</u>	<u>9,600,068</u>

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

9. **TANGIBLE FIXED ASSETS - Company**

	Freehold land and property	Plant	Office equipment
	£	£	£
<b>COST OR VALUATION:</b>			
At 1 January 2001	829,040	6,304,665	85,182
Additions	6,500	2,029,811	13,135
Disposals	-	(1,047,771)	-
At 31 December 2001	<u>835,540</u>	<u>7,286,705</u>	<u>98,317</u>
<b>DEPRECIATION:</b>			
At 1 January 2001	127,901	1,852,264	41,146
Charge for year	33,357	769,251	7,573
Eliminated on disposals	-	(485,569)	-
At 31 December 2001	<u>161,258</u>	<u>2,135,946</u>	<u>48,719</u>
<b>NET BOOK VALUE:</b>			
At 31 December 2001	<u>674,282</u>	<u>5,150,759</u>	<u>49,598</u>
At 31 December 2000	<u>701,138</u>	<u>4,452,400</u>	<u>44,036</u>

  

	Motor vehicles	Equipment	Totals
	£	£	£
<b>COST OR VALUATION:</b>			
At 1 January 2001	755,037	75,589	8,049,513
Additions	258,794	-	2,308,240
Internal transfers	7,154	23,850	31,004
Disposals	(95,866)	-	(1,143,637)
At 31 December 2001	<u>925,119</u>	<u>99,439</u>	<u>9,245,120</u>
<b>DEPRECIATION:</b>			
At 1 January 2001	270,427	52,969	2,344,707
Charge for year	151,412	14,896	976,489
Internal transfers	2,762	3,791	6,553
Eliminated on disposals	(49,190)	-	(534,759)
At 31 December 2001	<u>375,411</u>	<u>71,656</u>	<u>2,792,990</u>
<b>NET BOOK VALUE:</b>			
At 31 December 2001	<u>549,708</u>	<u>27,783</u>	<u>6,452,130</u>
At 31 December 2000	<u>484,610</u>	<u>22,619</u>	<u>5,704,803</u>

Included within the net book value of tangible fixed assets above are assets held under hire purchase agreements amounting to £2,840,007 (2000: £2,119,510) in respect of Plant and machinery and £83,869 (2000: £91,850) in respect of Motor vehicles.

# LES TAYLOR CONTRACTORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2001

### 10. FIXED ASSET INVESTMENTS

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

#### **J G Fowlie (Contractors) Limited**

Nature of business: Demolition & asbestos removal specialists

	%
Class of shares:	holding
Ordinary	100.00

#### **Les Taylor Construction Limited**

Nature of business: Civil engineering

	%
Class of shares:	holding
Ordinary	100.00

The results of the subsidiaries above have been included in the consolidated accounts.

### 11. STOCKS

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Raw materials and consumables	15,000	15,000	15,000	15,000
Goods for resale	25,970	23,314	25,970	23,314
Work in progress	<u>841,168</u>	<u>1,152,945</u>	<u>746,168</u>	<u>1,068,307</u>
	<u>882,138</u>	<u>1,191,259</u>	<u>787,138</u>	<u>1,106,621</u>

### 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Trade debtors	3,040,197	1,936,610	3,481,929	1,888,332
Other debtors	26,506	6,904	24,713	3,448
Accrued income	306,484	-	306,484	160,218
Unpaid share capital	28,270	228,555	28,270	228,555
Prepayments and accrued income	176,423	248,421	122,401	115,065
Directors' loan	<u>5,916</u>	<u>5,668</u>	<u>5,916</u>	<u>5,668</u>
	<u>3,583,796</u>	<u>2,426,158</u>	<u>3,969,713</u>	<u>2,401,286</u>

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdrafts (see note 15)	906,974	646,054	838,654	646,054
Hire purchase contracts (see note 16)	645,060	611,659	645,060	602,357
Trade creditors	1,775,666	1,737,153	1,906,073	1,607,973
Other creditors	7,773	57,204	7,773	56,016
Amounts owed to group undertakings	-	-	1,122,747	361,905
Social security & other taxes	626,777	388,060	550,260	362,466
Taxation	362,448	177,802	305,003	97,467
Accruals and deferred income	<u>754,882</u>	<u>731,847</u>	<u>739,202</u>	<u>718,346</u>
	<u>5,079,580</u>	<u>4,349,779</u>	<u>6,114,772</u>	<u>4,452,584</u>

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

**14. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Bank loans (see note 15)	155,943	182,345	155,943	182,345
Hire purchase contracts (see note 16)	<u>688,326</u>	<u>555,961</u>	<u>688,326</u>	<u>555,961</u>
	<u>844,269</u>	<u>738,306</u>	<u>844,269</u>	<u>738,306</u>

**15. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
<i>Amounts falling due within one year or on demand:</i>				
Bank overdrafts	863,703	601,409	795,383	601,409
Bank loans	<u>43,271</u>	<u>44,645</u>	<u>43,271</u>	<u>44,645</u>
	<u>906,974</u>	<u>646,054</u>	<u>838,654</u>	<u>646,054</u>
 <i>Amounts falling due between one and two years:</i>				
Bank loans	<u>155,943</u>	<u>178,580</u>	<u>155,943</u>	<u>178,580</u>
 <i>Amounts falling due between two and five years:</i>				
Bank loans	<u>-</u>	<u>3,765</u>	<u>-</u>	<u>3,765</u>

**16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Gross obligations repayable:				
Within one year	764,179	670,959	764,179	661,419
Between one and five years	<u>798,149</u>	<u>584,951</u>	<u>798,149</u>	<u>584,951</u>
	<u>1,562,328</u>	<u>1,255,910</u>	<u>1,562,328</u>	<u>1,246,370</u>
 Finance charges repayable:				
Within one year	119,119	59,300	119,119	59,062
Between one and five years	<u>109,823</u>	<u>28,990</u>	<u>109,823</u>	<u>28,990</u>
	<u>228,942</u>	<u>88,290</u>	<u>228,942</u>	<u>88,052</u>
 Net obligations repayable:				
Within one year	645,060	611,659	645,060	602,357
Between one and five years	<u>688,326</u>	<u>555,961</u>	<u>688,326</u>	<u>555,961</u>
	<u>1,333,386</u>	<u>1,167,620</u>	<u>1,333,386</u>	<u>1,158,318</u>

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

**16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following payments are committed to be paid within one year:

	Operating Leases	
	<b>Group and Company</b>	
	2001	2000
	£	£
Expiring:		
Within one year	9,420	-
Between one and five years	<u>6,768</u>	<u>27,804</u>
	<u>16,188</u>	<u>27,804</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Bank overdrafts	863,703	601,409	795,383	601,409
Bank loans	199,214	226,990	199,214	226,990
Hire purchase contracts	<u>1,333,386</u>	<u>1,167,620</u>	<u>1,333,386</u>	<u>1,158,318</u>
	<u>2,396,303</u>	<u>1,996,019</u>	<u>2,327,983</u>	<u>1,986,717</u>

**18. PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Deferred taxation	<u>638,788</u>	<u>580,642</u>	<u>625,534</u>	<u>555,141</u>
			<b>Group</b>	<b>Company</b>
			£	£
Balance at 1 January 2001			580,642	555,141
Arising in respect of accelerated capital allowances			<u>58,146</u>	<u>70,393</u>
Balance at 31 December 2001			<u>638,788</u>	<u>625,534</u>

# LES TAYLOR CONTRACTORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2001

### 19. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2001 £	2000 £
1,000,000	Ordinary "A"	£1	1,000,000	1,000,000
100	Ordinary "B"	£1	<u>100</u>	<u>100</u>
			<u>1,000,100</u>	<u>1,000,100</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2001 £	2000 £
100	Ordinary "B"	£1	<u>100</u>	<u>100</u>

Allotted and issued: Number:	Class:	Nominal value:	2001 £	2000 £
685,482 (2000 - 698,742)	Share capital "A"	£1	<u>685,482</u>	<u>698,742</u>

During the company purchased 13,260 of its own "A" ordinary shares with a nominal value of £1 each for a total consideration of £88,975.

The A and B ordinary shares have full dividend rights; are not redeemable; carry equal rights on a winding up. The A ordinary shares carry full voting rights, whereas the B ordinary shares carry no voting rights.

#### Share Options

On 6 May 1994 a share option in respect of 61,111 ordinary "A" shares each was granted in favour of the director, Simon Gilmartin, under the employee share scheme. This option is exercisable between May 1997 and May 2004 at a price of £1.20 per share.

### 20. SHARE PREMIUM

	2001 £	2000 £
Brought forward	771,614	-
Share premium	<u>-</u>	<u>771,614</u>
	<u>771,614</u>	<u>771,614</u>

### 21. REVALUATION RESERVE

	2001 £	2000 £
Brought forward	400,738	194,937
Revaluation during year	-	205,801
Revaluation reserve release	<u>(55,017)</u>	<u>-</u>
	<u>345,721</u>	<u>400,738</u>

### 22. CAPITAL REDEMPTION RESERVE

	2001 £	2000 £
Purchase of own shares	<u>13,260</u>	<u>-</u>

### 23. CONTINGENT LIABILITIES

Cross guarantees are held by the Bank of Scotland in respect of all sums owed by the company's subsidiary companies, J G Fowlie (Contractors) Limited and Black Isle Civil Engineering Limited.

**LES TAYLOR CONTRACTORS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2001

**24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001	2000
	£	£
Profit for the financial year	995,258	632,449
Other recognised gains and losses relating to the year (net)	-	205,801
Issue of shares	-	920,356
Purchase of own shares	<u>(88,975)</u>	<u>-</u>
<b>Net addition to shareholders' funds</b>	906,283	1,758,606
Opening shareholders' funds	<u>5,069,110</u>	<u>3,310,504</u>
<b>Closing shareholders' funds</b>	<u>5,975,393</u>	<u>5,069,110</u>
Equity interests	<u>5,975,393</u>	<u>5,069,110</u>