

**COPY FOR  
REGISTRAR OF  
COMPANIES**

**COVERITE SPECIALIST CONTRACTING LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2002**



**RICHARD ANTHONY & COMPANY**  
Chartered Accountants and Registered Auditor

# **COVERITE SPECIALIST CONTRACTING LIMITED**

## **COMPANY INFORMATION**

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**Directors**

A L Speroni  
R C Speroni  
R L Speroni

**Secretary**

F Calnan

**Company number**

SC175878

**Registered office**

North Caldeen Road  
Coatbridge  
Lanarkshire  
Scotland  
M15 4EF

**Auditors**

Richard Anthony & Company  
13 Station Road  
Finchley  
London  
N3 2SB

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# **COVERITE SPECIALIST CONTRACTING LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the financial statements	7 - 10

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# COVERITE SPECIALIST CONTRACTING LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

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The directors present their report and financial statements for the year ended 30 June 2002.

### Principal activities

The principal activity of the company continued to be that of roofing, structural waterproofing and specialised cladding contractors.

The company started trading from 1st March 2001.

### Directors

The following directors have held office since 1 July 2001:

A L Speroni  
R C Speroni  
R L Spèroni

### Directors' interests

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

	Ordinary shares of £ 1 each	
	30 June 2002	1 July 2001
A L Speroni	-	40
R C Speroni	-	30
R L Speroni	-	30

At the beginning of the year the directors interests were transferred to Coverite Limited at nominal value. The Directors interests in the share capital of Coverite Limited are shown in its financial statements.

### Auditors

Richard Anthony & Company were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# COVERITE SPECIALIST CONTRACTING LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

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### Directors' responsibilities

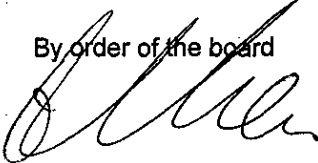
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



F Calnan

Secretary

7 January 2003

# COVERITE SPECIALIST CONTRACTING LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COVERITE SPECIALIST CONTRACTING LIMITED

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We have audited the financial statements of Coverite Specialist Contracting Limited on pages 4 to 10 for the year ended 30 June 2002. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the 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 directors' report 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 directors' report 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 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Richard Anthony & Company  
Chartered Accountants  
Registered Auditor  
13 Station Road  
Finchley  
London  
N3 2SB

7 January 2003

# COVERITE SPECIALIST CONTRACTING LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Turnover		3,159,361	-
Cost of sales		(2,305,436)	(11,151)
<b>Gross profit/(loss)</b>		<b>853,925</b>	<b>(11,151)</b>
Distribution costs		(101,806)	(1,408)
Administrative expenses		(598,300)	(26,483)
<b>Operating profit/(loss)</b>	<b>2</b>	<b>153,819</b>	<b>(39,042)</b>
Other interest receivable and similar income		603	-
Interest payable and similar charges		(5,263)	-
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>149,159</b>	<b>(39,042)</b>
Tax on profit/(loss) on ordinary activities	<b>3</b>	(23,380)	-
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>10</b>	<b>125,779</b>	<b>(39,042)</b>

# COVERITE SPECIALIST CONTRACTING LIMITED

## BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
<b>Fixed assets</b>					
Tangible assets	4		152,050		4,546
<b>Current assets</b>					
Stocks		21,032		-	
Debtors	5	1,106,566		529	
Cash at bank and in hand		15,569		100	
		<u>1,143,167</u>		<u>629</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(1,140,952)</u>		<u>(44,117)</u>	
<b>Net current assets/(liabilities)</b>			2,215		(43,488)
<b>Total assets less current liabilities</b>			154,265		(38,942)
<b>Creditors: amounts falling due after more than one year</b>	7		(72,590)		-
<b>Provisions for liabilities and charges</b>			5,162		-
			<u>86,837</u>		<u>(38,942)</u>
<b>Capital and reserves</b>					
Called up share capital	9		100		100
Profit and loss account	10		86,737		(39,042)
<b>Shareholders' funds</b>			<u>86,837</u>		<u>(38,942)</u>

These 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 (effective June 2002).

The financial statements were approved by the Board on 7 January 2003

  
A L Speroni  
Director



# COVERITE SPECIALIST CONTRACTING LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

	2002 £	2001 £
<b>Operating profit/(loss)</b>	153,819	(39,042)
Depreciation of tangible assets	50,683	1,515
(Increase)/decrease in stocks	(21,032)	-
Increase in debtors	(1,106,037)	(529)
Increase in creditors within one year	1,015,216	44,117
<b>Cash generated from operations</b>	92,649	6,061
<b>Cash from other sources</b>		
Interest received	603	-
	603	-
<b>Application of cash</b>		
Interest paid	5,263	-
Payments to acquire tangible assets	-	6,061
Capital element of finance lease contracts	73,661	-
	(78,924)	(6,061)
<b>Net increase/(decrease) in cash</b>	14,328	-
Cash at bank and in hand less overdrafts at beginning of year	100	100
<b>Cash at bank and in hand less overdrafts at end of year</b>	14,428	100
Consisting of:		
Cash at bank and in hand	15,569	100
Bank overdrafts	(1,141)	-
	14,428	100

# COVERITE SPECIALIST CONTRACTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents net applications submitted in respect of work done, excluding value added tax.

#### 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:

Fixtures, fittings & equipment	25% on written down value
Motor vehicles	25% on written down value

The depreciation basis of fixtures and fittings has been changed from straight-line to written down value basis in order to concur with the group policy.

#### 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 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 has not required a prior period adjustment.

2 Operating profit/(loss)	2002	2001
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	50,683	1,515
Auditors' remuneration	6,500	-
Directors' emoluments	30,000	-
	<u>          </u>	<u>          </u>

# COVERITE SPECIALIST CONTRACTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

3	Taxation	2002 £	2001 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	28,542	-
	<b>Current tax charge</b>	28,542	-
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	(5,162)	-
		23,380	-

The company has estimated losses of £ nil (2001 : £ 43,588) available for carry forward against future trading profits.

4	Tangible fixed assets	Plant and machinery etc £
	<b>Cost</b>	
	At 1 July 2001	6,061
	Additions	198,187
	At 30 June 2002	204,248
	<b>Depreciation</b>	
	At 1 July 2001	1,515
	Charge for the year	50,683
	At 30 June 2002	52,198
	<b>Net book value</b>	
	At 30 June 2002	152,050
	At 30 June 2001	4,546

The net book value of tangible fixed assets includes £137,933 (2001 - £-) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £45,977 (2001 - £-) for the year.

# COVERITE SPECIALIST CONTRACTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

<b>5 Debtors</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade debtors	359,192	-
Other debtors	747,374	529
	<u>1,106,566</u>	<u>529</u>
 <b>6 Creditors: amounts falling due within one year</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,141	-
Net obligations under hire purchase contracts	51,936	-
Trade creditors	790,571	2,168
Taxation and social security	235,549	3,462
Other creditors	61,755	38,487
	<u>1,140,952</u>	<u>44,117</u>
 <b>7 Creditors: amounts falling due after more than one year</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Net obligations under hire purchase contracts	<u>72,590</u>	<u>-</u>
 <b>8 Pension costs</b>		
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.		
 <b>9 Share capital</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100,000 Ordinary shares of £ 1 each	<u>100,000</u>	<u>100,000</u>
 <b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>

# COVERITE SPECIALIST CONTRACTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

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

	Profit and loss account £
Balance at 1 July 2001	(39,042)
Retained profit for the year	125,779
Balance at 30 June 2002	<u>86,737</u>

### 11 Financial commitments

At 30 June 2002 the company had annual commitments under non-cancellable operating leases as follows:

	2002 £	2001 £
Expiry date:		
Within one year	8,187	-
Between two and five years	1,474	-
	<u>9,661</u>	<u>-</u>

### 12 Control

The ultimate parent company is Coverite Limited, a company registered in England and Wales. Coverite Limited prepares group financial statements and copies can be obtained from Palace Gates, Bridge Road, Wood Green, London, N22 4SP.

### 13 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.