

Reports and Financial Statements

A. CAMERON LIMITED

426 2516



31 DECEMBER 1993

NEVILLE RUSSELL
Chartered Accountants



A. CAMERON LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1993**

**NEVILLE RUSSELL
Chartered Accountants
Raffety House
2-4 Sutton Court Road
Sutton
Surrey SM1 4TN**

A. CAMERON LIMITED

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A. CAMERON LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 31 December 1993.

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;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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.

PRINCIPAL ACTIVITY

The principal activity of the Company is industrial roofing and painting.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results of the year's trading are given in the attached financial statements.

No significant alterations to the overall activity of the Company are currently envisaged.

RESULTS AND DIVIDENDS

The loss after taxation amounted to £14,478 (1992: £102,122).

The directors do not recommend the payment of a dividend and therefore this amount is transferred from reserves.

A. CAMERON LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS AND THEIR INTERESTS

The directors of the Company at the year end and their interests, together with those of their families, in the shares of the ultimate holding company were as follows:

	<u>Ordinary Shares</u>		<u>Preference Shares</u>	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
R.W. Deacon	7,750	7,750	13,166	13,166
J.M. Dodds	-	-	-	-

INDEMNITY INSURANCE

The company purchased insurance for directors during the year to indemnify them against liabilities arising in relation to the company.


FIXED ASSETS

There were no changes in fixed assets other than those required for the maintenance of the Company's business as set out in note 8 to the financial statements.

AUDITORS

Neville Russell have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

Approved by the board on July 20, 1994
and signed on its behalf by


.....
T.V.D. Ward, Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF

A. CAMERON LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared following the accounting policies set out on pages 6 and 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 31 December 1993 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Neville Russell

CHARTERED ACCOUNTANTS
and Registered Auditors

20 July 1994

Raffety House
2-4 Sutton Court Road
Sutton
Surrey SM1 4TN

A. CAMERON LIMITED

PROFIT AND LOSS ACCOUNT For the Year Ended 31 December 1993

	Notes	<u>1993</u> £	<u>1992</u> £
TURNOVER	1(b) & 5	4,840,391	3,075,170
Other operating income	2	29	-
		<u>4,840,420</u>	<u>3,075,170</u>
Operating charges	3	4,855,356	3,216,045
OPERATING (LOSS)		<u>(14,936)</u>	<u>(140,875)</u>
Interest payable	4	1,732	4,097
(Loss) on ordinary activity before taxation	5	(16,668)	(144,972)
Taxation	7	(2,190)	(42,850)
RETAINED LOSS FOR THE YEAR	14	<u>(14,478)</u>	<u>(102,122)</u>

The company's turnover and expenses all relate to continuing operations.

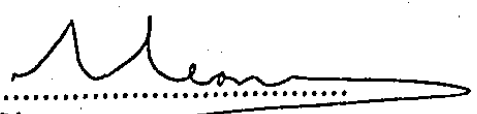
The company has no recognised gains or losses other than the loss for the year which has been calculated on the historical cost basis.

A. CAMERON LIMITED

BALANCE SHEET as at 31 December 1993

	Notes	£	1993 £	£	1992 £	£
FIXED ASSETS						
Tangible assets	8		96,906		76,490	
CURRENT ASSETS						
Stock	9	19,338		15,836		
Debtors	10	1,493,803		1,284,940		
Cash at bank and in hand		1,864		2,162		
			<u>1,515,005</u>		<u>1,302,938</u>	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	11	1,637,819		(1,409,429)		
NET CURRENT (LIABILITIES)			<u>(122,814)</u>		<u>(106,491)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			(25,908)		(30,001)	
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11		(11,024)		(2,612)	
PROVISION FOR LIABILITIES AND CHARGES	12		<u>(42,554)</u>		<u>(32,395)</u>	
			<u>£(79,486)</u>		<u>£(65,008)</u>	
CAPITAL AND RESERVES						
Called up share capital	13		50,000		50,000	
Profit and loss account	14		(129,486)		(115,008)	
			<u>£(79,486)</u>		<u>£(65,008)</u>	

Approved by the board on July 20, 1994
and signed on its behalf by


.....
Director

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 1993

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention. The financial statements show an excess of liabilities over assets but they have been drawn up on a going concern basis due to the continuing financial support of the holding company.

(b) Turnover

Turnover represents goods supplied and services rendered during the year excluding VAT.

(c) Pensions

The Company participates in a defined benefit pension scheme operated by the holding company. Details of the scheme and accounting treatment thereof are given in Note 6 to the financial statements.

(d) Depreciation

Depreciation is provided on a straight line basis so as to write off the cost less estimated residual value of fixed assets over their expected useful lives utilising the following period:

Plant and vehicles	2 to 10 years
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(e) Stock and Long Term Contracts

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes a due proportion of appropriate overheads and net realisable value represents the expected future proceeds less any cost of realisation.

Long term contracts are valued at cost, plus any attributable profits, less any foreseeable losses and cash received or receivable on account of sales.

(f) Deferred taxation

Provision is made on the liability basis at the current rate of corporation tax on all timing differences other than those which, in the opinion of the directors, will continue to be deferred for the foreseeable future.

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 1993

1. ACCOUNTING POLICIES (continued)

(g) Hire purchase and leasing

Assets acquired under hire purchase contracts and finance leases are capitalised in the financial statements as fixed assets. Rentals paid under operating leases are charged to the profit and loss account as they arise. Interest payable on finance leases is charged to the profit and loss account on a straight line basis over the term of the relevant agreements. Interest on hire purchase contracts is payable on a variable interest rate basis calculated on the actual capital sum outstanding and is charged to the profit and loss account as incurred.

2. OTHER OPERATING INCOME

	<u>1993</u>	<u>1992</u>
Dividend received	£29	£ -
	<u> </u>	<u> </u>

3. OPERATING CHARGES

	<u>1993</u>	<u>1992</u>
	£	£
Raw materials and consumables	3,908,591	2,312,859
Other external charges	14,148	15,424
Staff costs (Note 6)	587,109	596,333
Depreciation on owned tangible fixed assets	13,186	22,202
Depreciation on assets held under hire purchase agreements and finance leases	19,779	13,478
Other operating charges	312,543	255,749
	<u>£4,855,356</u>	<u>£3,216,045</u>

4. INTEREST PAYABLE

	<u>1993</u>	<u>1992</u>
On hire purchase agreements	£1,732	£4,097
	<u> </u>	<u> </u>

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 1993

5. TURNOVER AND LOSS ON ORDINARY ACTIVITY

Turnover and profit on ordinary activity is derived from the Company's principal activity of industrial roofing and painting.

	<u>1993</u>	<u>1992</u>
	£	£
Loss on ordinary activity before taxation is stated after charging:		
Auditors' remuneration	6,000	4,900
Hire of equipment	2,999	1,968
	<u> </u>	<u> </u>

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1993

6. STAFF COSTS

	<u>1993</u> £	<u>1992</u> £
Wages and salaries	530,529	539,673
Social security costs	49,134	47,813
Other pension costs	7,446	8,847
	<u>£587,109</u>	<u>£596,333</u>
The average weekly number of employees during the year was	<u>Number</u>	<u>Number</u>
Full time	26	27
	<u>—</u>	<u>—</u>
Staff costs include directors' remuneration as follows:		
Emoluments	£39,373	£37,092
	<u>—</u>	<u>—</u>
Chairman's emoluments	£ -	£ -
	<u>—</u>	<u>—</u>
Highest paid director	£37,089	£34,823
	<u>—</u>	<u>—</u>

The Company participates in a pension scheme operated by the holding company, Donald Cameron Holdings Limited, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company, being invested with an insurance company. The company's normal practice is for contributions to the scheme to be charged to the profit and loss account so as to spread the cost of pensions over participating employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of periodic valuations the most recent of which was as at 1 October 1992.

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1993

7. TAXATION

	<u>1993</u> £	<u>1992</u> £
Corporation tax based on loss for the year at 25%	-	-
Group relief	(2,190)	(42,850)
	<u>£(2,190)</u>	<u>£(42,850)</u>

8. TANGIBLE ASSETS

	<u>Plant and Machinery</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
COST			
At 1 January 1993	7,689	165,205	172,894
Additions	1,479	53,863	55,342
Transfers from group undertakings	2,172	-	2,172
Disposals	-	(29,713)	(29,713)
At 31 December 1993	<u>11,340</u>	<u>189,355</u>	<u>200,695</u>
DEPRECIATION			
At 1 January 1993	5,729	90,675	96,404
Provided during the year	1,415	31,550	32,965
Transfers from group undertakings	2,172	-	2,172
Eliminated on disposal	-	(27,752)	(27,752)
At 31 December 1993	<u>9,316</u>	<u>94,473</u>	<u>103,789</u>
NET BOOK VALUE			
At 31 December 1993	<u>£2,024</u>	<u>£94,882</u>	<u>£96,906</u>
At 31 December 1992	<u>£1,960</u>	<u>£74,530</u>	<u>£76,490</u>

The net book value of fixed assets includes an amount of £81,290 (1992: £54,418) in respect of assets held under hire purchase agreements and finance leases. The total depreciation allocated for the period in respect of assets held under these agreements is £19,779 (1992: £13,478).

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1993

9. STOCK

	<u>1993</u>	<u>1992</u>
Consumables	£19,338	£15,836

10. DEBTORS

	<u>1993</u>	<u>1992</u>
	£	£
Amounts falling due within one year:		
Trade debtors	1,384,111	1,029,829
Amounts owed by group undertakings	10,208	50,156
Other debtors	3,658	5,685
Prepayments	1,101	1,064
Amounts recoverable on contracts	94,725	198,206
	<u>£1,493,803</u>	<u>£1,284,940</u>

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 December 1993

11. CREDITORS

	<u>1993</u> £	<u>1992</u> £
Amounts falling due within one year:		
Instalments on hire purchase agreements	24,274	15,430
Trade creditors	574,039	337,561
Amounts owed to group undertakings	974,673	1,000,137
Other taxation and social security	2,372	1,949
Other creditors	16,060	15,939
Accruals and deferred income	46,401	38,413
	<u>£1,637,819</u>	<u>£1,409,429</u>
Amounts falling due after one year:		
Instalments on hire purchase and finance leases	<u>£11,024</u>	<u>£2,612</u>

Hire purchase and finance lease commitments are secured on the specific fixed assets involved and all instalments are due within 5 years.

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 1993

12. PROVISION FOR LIABILITIES AND CHARGES

	<u>Deferred Taxation</u> £	<u>Other</u> £	<u>Total</u> £
At 1 January 1993	-	32,395	32,395
Charge for the year		10,159	10,159
	£ -	£42,554	£42,554

The major other provision relates to property maintenance.

The actual provision and full potential liability to deferred taxation are summaries below:

	<u>1993</u>		<u>1992</u>	
	<u>Actual Provision</u> £	<u>Potential (Asset)/ Liability</u> £	<u>Actual Provision</u> £	<u>Potential (Asset)/ Liability</u> £
Accelerated capital allowances	-	(3,338)	-	(4,422)
Other timing differences	-	(14,167)	-	(11,122)
	£ -	£(17,505)	£ -	£(15,544)

13. SHARE CAPITAL

	<u>1993</u>	<u>1992</u>
Authorised 50,000 ordinary shares of £1 each	£50,000	£50,000
Allotted, issued and fully paid 50,000 ordinary shares of £1 each	£50,000	£50,000

A. CAMERON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 1993

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share Capital £	Profit and Loss Account £	Total Shareholders' Funds £
Balance at 1 January 1992	50,000	(12,886)	37,114
Loss for the year	-	(102,122)	(102,122)
Balance at 31 December 1992	50,000	(115,008)	(65,008)
Loss for the year	-	(14,478)	(14,478)
Balance at 31 December 1993	£50,000	£(129,486)	£(79,486)

15. CAPITAL COMMITMENTS

	1993	1992
Authorised by the directors but not contracted for	£74,900	£20,700

16. CONTINGENT LIABILITIES

The company has given guarantees in respect of bank overdrafts and secured loans made to group companies amounting to £1,485,237 (1992: £1,901,550) at the balance sheet date.

17. ULTIMATE HOLDING COMPANY

The ultimate holding company is Donald Cameron Holdings Limited, a company incorporated in England.