

339806

BIERRUM HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS

30 APRIL 1989

450  
11/11/90



BIERRUM HOLDINGS LTD

REPORT AND FINANCIAL STATEMENTS

Directors

N. R. Bierrum, M.A. (Chairman)  
A. M. Bierrum, M.A., F.C.A.  
J. A. Harrison, C.Eng., F.I.C.E.  
B. Petersen, M.Sc., C.Eng., M.I.C.E.  
D. P. Shead

Secretary

P. C. Kendrew, B.A., F.C.I.S., F.I.C.M., M.I.I.R.S.M.

Registered Office

Barwythe Hall, Studham, Bedfordshire

BIERRUM HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1989

The Directors present their Report together with the Financial Statements for the year ended 30 April 1989.

Results and Dividends

The profit of the Group after taxation for the year was £234 988

The Directors have paid and propose dividends on Ordinary and 'A' Ordinary Shares as follows:

Interim dividend of: 5% amounting to £12 150 paid on 17 July 1989  
Final dividend of: 7.5% amounting to £18 225 proposed

Review of the Business

The Company and its subsidiaries are engaged in civil engineering and contracting specialising in reinforced concrete.

The Company changed its name from Bierrum and Partners Limited to Bierrum Holdings Limited on 28 June 1988. Two wholly owned trading subsidiaries, Bierrum and Partners Limited and Bierrum Structural Services Limited commenced business on 1 May 1988 and on that date certain Assets and Liabilities were transferred to these companies.

Directors

The constitution of the Board and their interests in the capital of the Company were as follows:

	<u>At 30 April 1989 and 30 April 1988</u>							
	<u>Beneficial Interest</u>				<u>As Trustees</u>			
	<u>Ord. Shares</u>		<u>'A' Ord. Shares</u>		<u>Ord. Shares</u>		<u>'A' Ord. Shares</u>	
	<u>of £1 each</u>		<u>of £1 each</u>		<u>of £1 each</u>		<u>of £1 each</u>	
	1989	1988	1989	1988	1989	1988	1989	1988
N. R. Bierrum	8 795	8 795	16 751	16 751	--	--	10 600	10 600
A. M. Bierrum	8 895	8 895	22 450	22 450	--	--	--	--
A. Harrison	--	--	500	500	--	--	--	--
Petersen	8 980	8 980	34 153	34 153	5 000	5 000	11 850	11 850
P. Shead	--	--	2 000	2 000	--	--	--	--

B. Petersen retired as an Executive Director on 30 June 1988 but continues on the Board as a Non-Executive Director.

BIERRUM HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 30 APRIL 1989

Tangible Fixed Assets

Movements are shown in Note 9. In the opinion of the Directors the value of freehold properties is greater than that shown in the Financial Statements.

Charitable Contributions

During the year donations totalling £367 were made to charitable organizations.

Auditors

The Auditors, Clark Whitehill, will retire and offer themselves for re-appointment at the Annual General Meeting.

By Order of the Board



P. C. KENDREW

Secretary

Barwythe Hall  
Studham  
Bedfordshire

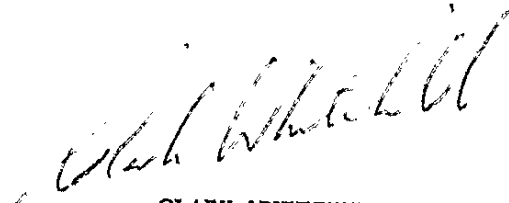
REPORT OF THE AUDITORS TO THE MEMBERS OF  
BIERRUM HOLDINGS LIMITED

We have audited the Financial Statements set out on pages 4 to 13 in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of affairs of the Company and the Group at 30 April 1989 and of the profit and source and application of funds of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London

26th October, 1989

  
CLARK WHITEHILL  
Chartered Accountants

MINIMUM HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 1989

	<u>Notes</u>	1989	1988
		£	£
Turnover	2	8 588 915	4 757 489
Cost of Sales		7 387 072	4 663 820
Gross Profit		1 201 843	93 669
Research and Development		55 943	42 115
Administrative Expenses		1 145 900	51 554
		913 050	938 888
Other Income		232 850	(887 334)
		85 000	85 007
Operating Profit/(Loss)	3	317 850	(802 327)
Interest Receivable		4 605	8 021
Interest Payable	5	(87 467)	(28 597)
Profit/(Loss) on Ordinary Activities before Taxation		234 988	(822 903)
Tax on Profit/(Loss) on Ordinary Activities		-	(207 537)
Profit/(Loss) on Ordinary Activities after Taxation	7	234 988	(615 366)
Dividends	8	30 375	24 300
Retained Profit/(Loss) for the Year		204 613	(639 666)
Balance on Profit and Loss Account brought forward		1 276	2 942
Transfer from/(to) General Reserve		205 889	(636 724)
		(200 000)	638 000
Balance on Profit and Loss Account carried forward		£ 5 889	£ 1 276

The attached notes on pages 8 to 13 form an integral part of these Financial Statements.

BIERRUM HOLDINGS LIMITED

GROUP BALANCE SHEET

30 APRIL 1989

	<u>Notes</u>	1989	1988
		£	£
<b>ASSETS EMPLOYED</b>			
<b>FIXED ASSETS</b>			
Tangible Assets	9	1 596 452	1 641 354
Investment Property	10	1 300 000	1 300 000
		-----	-----
		2 896 452	2 941 354
		-----	-----
<b>CURRENT ASSETS</b>			
Stock and Work in Progress	12	220 043	404 942
Debtors	13	2 231 902	725 194
Cash		38 714	11 987
		-----	-----
		2 490 659	1 142 123
<b>CREDITORS: Amounts falling due within one year</b>	14	2 074 134	976 335
		-----	-----
<b>NET CURRENT ASSETS</b>		416 525	165 788
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3 312 977	3 107 142
		-----	-----
<b>CREDITORS: Amounts falling due after more than one year</b>	15	7 297	-
<b>PROVISION FOR DEFERRED TAXATION</b>	16	45 875	51 950
		-----	-----
<b>NET ASSETS</b>		3 259 805	3 055 192
		-----	-----
<b>FINANCED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
Called Up Share Capital	17	243 000	243 000
General Reserve		1 177 000	977 000
Asset Revaluation Reserve		1 833 916	1 833 916
Profit and Loss Account		5 889	1 276
		-----	-----
<b>SHAREHOLDERS' FUNDS</b>		£3 259 805	£3 055 192
		=====	=====

Approved by the Board on 26th October, 1989  
and signed on its behalf:

N. R. BIERRUM

A. M. BIERRUM

} DIRECTORS

The attached notes on pages 8 to 13 form an integral part of these Financial Statements.

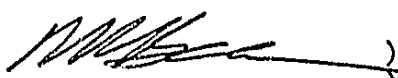
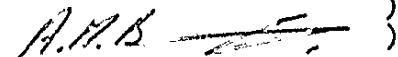
BIERRUM HOLDINGS LIMITED

BALANCE SHEET

30 APRIL 1989

	<u>Notes</u>	1989	1988
		£	£
<b>ASSETS EMPLOYED</b>			
<b>FIXED ASSETS</b>			
Tangible Assets	9	1 154 863	1 641 354
Investment Property	10	1 300 000	1 300 000
Investment in Subsidiaries	11	270 000	-
		-----	-----
		2 724 863	2 941 354
<b>CURRENT ASSETS</b>			
Stock and Work in Progress	12	-	404 942
Debtors	13	1 190 817	725 194
Cash		-	11 987
		-----	-----
		1 190 817	1 142 123
<b>CREDITORS: Amounts falling due within one year</b>	14	821 839	976 335
		-----	-----
<b>NET CURRENT ASSETS</b>		368 978	165 788
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3 093 841	3 107 142
<b>CREDITORS: Amounts falling due after more than one year</b>	15	-	-
<b>PROVISION FOR DEFERRED TAXATION</b>	16	45 875	51 950
<b>NET ASSETS</b>		3 047 966	3 055 192
		-----	-----
<b>FINANCED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
Called Up Share Capital	17	243 000	243 000
General Reserve		1 177 000	977 000
Asset Revaluation Reserve		1 833 916	1 833 916
Profit and Loss Account		(205 950)	1 276
		-----	-----
<b>SHAREHOLDERS' FUNDS</b>		£3 047 966	£3 055 192
		=====	=====

Approved by the Board on 26th October, 1989  
and signed on its behalf:

N. R. BIERRUM  )  
A. M. BIERRUM  ) DIRECTORS

The attached notes on pages 8 to 13 form an integral part of these Financial Statements.



BIERRUM HOLDINGS LIMITED

GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 30 APRIL 1989

	1989	1988
	£	£
<b>SOURCE OF FUNDS</b>		
Profit/(Loss) on Ordinary Activities before Tax	234 988	(822 903)
Adjustment for items not involving the movement of funds:		
Depreciation	189 546	195 606
Loss on Sale of Fixed Assets	12 670	4 116
	<u>202 216</u>	<u>199 722</u>
Sales of Fixed Assets	40 958	35 306
<b>TOTAL GENERATED FROM OPERATIONS</b>	<u>478 162</u>	<u>(587 875)</u>
<b>APPLICATION OF FUNDS</b>		
Dividends Paid	12 150	34 020
Purchase of Fixed Assets	198 272	189 817
Tax Paid	-	149 643
	<u>210 422</u>	<u>373 480</u>
	<u>267 740</u>	<u>(961 355)</u>
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Stock and Work in Progress	(184 899)	36 872
Debtors	1 506 708	(1 040 907)
Creditors	(743 614)	857 439
	<u>578 195</u>	<u>(146 596)</u>
<b>Movement in Net Liquid Funds</b>		
Cash Balances	26 727	(365 325)
Overdraft	(337 182)	(449 434)
	<u>(310 455)</u>	<u>(814 759)</u>
	<u>£ 267 740</u>	<u>£ (961 355)</u>

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of Accounts Preparation

These Financial Statements have been drawn up under the historical cost convention, as modified by the revaluation of freehold properties and the investment property. The Financial Statements include those of the Company and its two operating subsidiaries, Bierrum and Partners Limited and Bierrum Structural Services Limited.

(b) Tangible Fixed Assets

Tangible fixed assets, other than land are depreciated over their estimated useful lives by annual instalments at the following rates:

Freehold buildings:	2%
Plant equipment and vehicles:	10% - 33 1/3% on reducing value basis
Computer and office equipment:	20% on original cost basis

(c) Investment Property

The investment property is valued annually by A. M. Bierrum, a Director of the Company, on the basis of rental income representing a percentage return on investment.

(d) Stock and Work in Progress

Contract work in progress is valued at cost plus attributable overheads and profit on contracts substantially complete, less progress payment applications and provisions for anticipated losses. Stocks are stated at the lower of cost and estimated net realisable value.

(e) Deferred Taxation

Provision is made for taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounts purposes to the extent that it is probable that liabilities or assets will crystallize.

(f) Research and Development

Expenditure on research and development is written off as incurred. The value written off in the current year is shown in these Financial Statements.

(g) Pension Scheme

The Group operates a contributory scheme insured with Norwich Union.

2. TURNOVER

Turnover comprises the total of Accounts rendered.

	£	£
3. <u>OPERATING PROFIT/(LOSS)</u>		
is stated after charging:		
(a) Cost of Sales		
Directors Remuneration	13 916	7 855
Loss on Sale of Fixed Assets	3 355	2 518
Depreciation	109 068	102 787
Hire of Plant and Machinery	500 083	341 901
Other Costs	6 760 650	4 208 759
	£7 387 072	£4 663 820
(b) Research and Development		
Directors Remuneration	9 734	37 781
Other Costs	46 209	4 334
	£ 55 943	£ 42 115
(c) Administrative Expenses		
Auditors Remuneration	16 020	15 000
Depreciation	80 478	92 879
Loss on Sale of Fixed Assets	9 315	1 598
Directors Remuneration	127 847	149 568
Other Costs	679 390	679 903
	£ 913 050	£ 938 888
and after crediting:		
(d) Rental Income	£ 85 000	£ 85 007
4. <u>DIRECTORS AND STAFF COSTS</u>		
<u>Directors Remuneration</u>		
Fees	2 500	-
Other Emoluments	162 761	210 311
Payment to former Director	-	20 000
	£ 165 261	£ 230 311
<u>Emoluments, excluding Pension Scheme Contributions</u>		
Chairman and Highest Paid Director	£ 41 333	£ 42 244
Other Directors	<u>No.</u>	<u>No.</u>
£10 000 to £15 000	1	-
£15 000 to £20 000	-	1
£20 001 to £25 000	2	3
£25 001 to £30 000	1	1

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

4.	<u>DIRECTORS AND STAFF COSTS (continued)</u>	1989	1988
	<u>Staff Costs (including Directors)</u>	£	£
	Wages and Salaries	2 185 972	2 040 334
	Social Security Costs	196 667	173 086
	Other Pension Costs	103 774	67 823
	Other Costs	55 163	57 086
		<u>£2 541 576</u>	<u>£2 338 329</u>
	The average weekly number of employees during the year was:	No.	No.
	Management, Office and Selling	41	44
	Contracting Sites	110	122
		<u>151</u>	<u>166</u>
5.	<u>INTEREST PAYABLE</u>	£	£
	Payable on Bank Overdraft	£ 87 467	£ 28 597
		<u>=====</u>	<u>=====</u>
6.	<u>TAXATION</u>		
	Based on the results for the year:		
	Corporation Tax (1988 - 33.35%)	-	(75 500)
	Deferred Tax at 35% (1988 - 35%)	-	(130 000)
	Adjustment for Previous Years	-	(2 037)
		<u>NIL</u>	<u>£ (207 537)</u>
		<u>=====</u>	<u>=====</u>
7.	<u>PROFIT AFTER TAXATION</u>		
	Dealt with in Accounts of Bierrum Holdings Limited	23 148	
	Dealt with in Accounts of Subsidiaries	211 840	
		<u>£ 234 988</u>	
		<u>=====</u>	
	No Profit and Loss Account of the Parent Company is submitted under Section 228(7) of Companies Act 1985.		
8.	<u>DIVIDENDS</u>		
	Dividends on Ordinary and 'A' Ordinary Shares:		
	Interim of 5% paid July 1989 (1988 - 5%)	12 150	12 150
	Final of 7. % (1988 - 5%) Proposed	18 225	12 150
		<u>£ 30 375</u>	<u>£ 24 300</u>
		<u>=====</u>	<u>=====</u>

PIRELLA HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

9. <u>TANGIBLE FIXED ASSETS</u>	<u>FREEHOLD PROPERTIES</u>	<u>PLANT EQUIPMENT &amp; VEHICLES</u>	<u>TOTAL</u>
<u>COMPANY</u>	£	£	£
Cost or valuation at 1 May 1988	1 120 000	1 775 939	2 895 939
Additions	-	13 400	13 400
	-----	-----	-----
Transferred to Subsidiaries 1 May 1988	1 120 000	1 789 339	2 909 339
Cost of Disposal	-	1 709 455	1 709 455
	-----	-----	-----
At 30 April 1989	1 120 000	70 178	1 190 178
	=====	=====	=====
Depreciation at 1 May 1988	-	1 254 585	1 254 585
Amount Provided for Year	7 032	12 243	19 275
	-----	-----	-----
Eliminated on Transfer to Subsidiaries 1 May 1988	7 032	1 266 828	1 273 860
Eliminated on Disposal	-	1 234 108	1 234 108
	-----	-----	-----
	7 032	28 283	35 315
	=====	=====	=====
Net Book Values 1989	£1 112 968	£ 41 895	£1 154 863
Net Book Values 1988	£1 120 000	£ 521 354	£1 641 354
	=====	=====	=====
<u>GROUP</u>			
Cost or valuation at 1 May 1988	1 120 000	1 775 939	2 895 939
Additions	-	198 272	198 272
	-----	-----	-----
Cost of Disposal	1 120 000	1 974 211	3 094 211
	-----	-----	-----
At 30 April 1989	1 120 000	1 823 278	2 943 278
	=====	=====	=====
Depreciation at 1 May 1988	-	1 254 585	1 254 585
Amount Provided for Year	7 032	182 514	189 546
	-----	-----	-----
Eliminated on Disposal	7 032	1 437 099	1 444 131
	-----	-----	-----
	7 032	1 339 794	1 346 826
	=====	=====	=====
Net Book Values 1989	£1 112 968	£ 483 484	£1 596 452
Net Book Values 1988	£1 120 000	£ 521 354	£1 641 354
	=====	=====	=====

The freehold properties are included at valuations carried out by independent valuers in 1988. The cost of these properties was £490 812 and the depreciation on cost would have been £4 152.

BIERRUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

10. INVESTMENT PROPERTY

The freehold property, 167 Imperial Drive, Harrow is fully let to a premium tenant on a 25 year lease from 1 July, 1979, with five year rent reviews, the next review being on 1 July, 1989. The property has been valued at 30 April 1989 by A. M. Bierrum, a Director of the Company, at £1 300 000 on the basis of rental income representing a 6.5% return on investment. The cost of the property was £97 502.

A provision of £56 000 has been included in deferred tax in respect of the estimated tax that would become payable on the capital gain arising from the sale of the investment property at the valuation included in the Accounts.

11. INVESTMENT IN SUBSIDIARIES

The Company owns the whole of the issued share capital of Bierrum and Partners Limited, Bierrum Structural Services Limited (incorporated in England) and of Bierrum Overseas Limited (incorporated in Eire).

Investment in Subsidiaries	1989
Bierrum and Partners Limited	250 000
Bierrum Structural Services Limited	20 000
Bierrum Overseas Limited	-
	<u>£ 270 000</u>

12. STOCK AND WORK IN PROGRESS

	<u>THE GROUP</u>	<u>THE COMPANY</u>	
	1989	1989	1988
	£	£	£
Contracting work in progress	31 938	-	195 137
Stock of materials and tackle at lower of cost and estimated net realisable value	188 105	-	209 805
	<u>£ 220 043</u>	<u>£ Nil</u>	<u>£ 404 942</u>

Contracting work in progress is stated after deduction of progress payment applications of £674 562 (1988 - £2 411 419).

13. DEBTORS

Trade Debtors	2 133 060	-	515 518
Amount due from Subsidiaries	-	1 082 867	-
Other Debtors	18 287	9 369	21 366
Prepayments	20 416	3 442	145 945
Corporation Tax recoverable	60 139	60 139	42 365
Dividends Receivable	-	35 000	-
	<u>£2 231 902</u>	<u>£1 190 817</u>	<u>£ 725 194</u>

BLERUM HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (continued)

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	1989	1989	1988	
	£	£	£	£
14. <u>CREDITORS</u>				
Amounts falling due within one year:				
Bank Overdraft (secured)	786 616	616 020	449 434	
Progress Payment Applications in Excess of Work in Progress	157 501	-	-	
Trade Creditors	783 193	19 836	288 150	
Taxes and Social Security	98 101	69 280	32 408	
Dividends	30 375	30 375	12 150	
Other Creditors	37 199	-	27 656	
Accruals	181 149	86 328	166 537	
	£2 074 134	£ 821 839	£ 976 335	
	=====	=====	=====	

15. <u>CREDITORS</u>				
Amounts falling due after more than one year:				
Retentions on Contracts not yet completed	7 297	-	-	
	£ 7 297	-	-	
	=====	=====	=====	

16. <u>PROVISION FOR DEFERRED TAXATION</u>				
Accelerated Capital Allowances	66 000	60 000	60 000	
Losses available for Relief	(66 000)	(60 000)	(60 000)	
Revaluation Surplus	56 000	56 000	56 000	
Advance Corporation Tax Recoverable	(10 125)	(10 125)	(4 050)	
	£ 45 875	£ 45 875	£ 51 950	
	=====	=====	=====	

No provision for deferred taxation has been made on the revaluation of the Company's freehold properties included in tangible fixed assets as there is no intention to dispose of them.

17. <u>SHARE CAPITAL</u>	1989		1988	
	<u>Authorised</u>	<u>Issued and Fully Paid</u>	<u>Authorised</u>	<u>Issued and Fully Paid</u>
Ordinary Shares of £1 each	56 500	54 000	56 500	54 000
'A' Ordinary Shares of £1 each	193 500	189 000	193 500	189 000
	£ 250 000	£ 243 000	£ 250 000	£ 243 000
	=====	=====	=====	=====

18. <u>CONTINGENT LIABILITIES</u>	1989	1988
At the date of the Balance Sheet bonds were outstanding on which the Company had given a counter indemnity amounting to:	£ 248 800	£ 93 011
	=====	=====