

339806

339806

BIERRUM AND PARTNERS LIMITED

REPORT AND GROUP ACCOUNTS

129

30 APRIL 1985

CLARK WHITEHILL  
Chartered Accountants  
25 New Street Square  
London EC4A 3LN



BIERRUM AND PARTNERS LIMITED

Directors

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

Secretary

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

Registered Office

Barwythe Hall, Studham, Bedfordshire

BIERRUM AND PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 1985

The Directors present their report together with the accounts of the group for the year ended 30 April 1985.

**RESULTS AND DIVIDENDS**

The group profit attributable to members for the year was £172,853

The Directors have paid an interim dividend on Ordinary and 'A' Ordinary Shares of 7.5% amounting to £18,225 and propose a final dividend of 5.0% amounting to £12,150.

**REVIEW OF THE BUSINESS**

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

**DIRECTORS**

The constitution of the Board, their interests and their wives' interests in the capital of the Company were as follows:-

	At 30 April 1985 and 30 April 1984							
	Beneficial Interest				As Trustees			
	Ord. Shares of £1 each		'A' Ord. Shares of £1 each		Ord. Shares of £1 each		'A' Ord. Shares of £1 each	
	1985	1984	1985	1984	1985	1984	1985	1984
N.R. Bierrum	8,785	8,785	15,828	15,828	-	-	13,200	13,200
A.M. Bierrum	8,885	8,885	18,528	18,528	-	-	-	-
J.G. Harrison	-	-	-	-	-	-	-	-
A. Kelsted	-	-	-	-	-	-	-	-
B. Petersen	8,980	8,980	34,153	34,153	5,000	5,000	11,850	11,850
D.F. Shead	-	-	-	-	-	-	-	-

**FIXED ASSETS**

Movements are shown in Note 9. In the opinion of the Directors the market value of freehold properties included in tangible fixed assets is in excess of the book value.

**CHARITABLE CONTRIBUTIONS**

During the year donations totalling £150 were made to charitable organisations.

**AUDITORS**

The auditors, Clark Whitehill, are willing to continue in office.

By Order of the Board

P.C. KENDREW

Secretary

Barwythe Hall  
Studham  
Bedfordshire

REPORT OF THE AUDITORS TO THE MEMBERS OF

2

BIERRUM AND PARTNERS LIMITED

We have audited the accounts set out on pages 3 to 14 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared under the historical cost convention as modified by the revaluation of the investment property, give a true and fair view of the state of affairs of the company and the group at 30 April 1985 and of the profit and source and application of funds of the group for the year ended on that date and comply with the Companies Act 1985.

London  
24 July 1985

  
CLARK WHITEHILL  
Chartered Accountants

BIERGUM AND PARTNERS LIMITEDGROUP PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 30 APRIL 1985

	<u>Notes</u>	<u>1985</u> <u>£</u>	<u>1984</u> <u>£</u>
TURNOVER			
Cost of sales	2	8,352,069 7,357,908	8,859,465 8,387,322
Gross profit		994,161	488,143
Research and development		47,979	47,326
Administrative expenses		946,182 732,509	440,817 720,788
Other operating income		213,673	(279,971)
OPERATING PROFIT/(LOSS)	3	296,165	(209,773)
Interest receivable		39,583	16,314
Interest payable	5	(9,895)	(27,217)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		325,853	(220,676)
Tax on profit/loss on ordinary activities	6	153,000	(120,000)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		172,853	(100,676)
Extraordinary credit		-	81,000
PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE HOLDING COMPANY	7	172,853	(19,676)
Dividends	8	30,375	24,300
RETAINED PROFIT/(LOSS) FOR THE YEAR	18	£142,478	£(43,976)

The attached notes on pages 7 to 14 form an integral part of these Accounts.

BIERRUM AND PARTNERS LIMITEDGROUP BALANCE SHEET30 APRIL 1985

	<u>Notes</u>	1985	1984
		£	£
<b>ASSETS EMPLOYED</b>			
<b>FIXED ASSETS</b>			
Tangible assets	9	909,795	1,011,296
Investment property	10	1,300,000	1,200,000
		<hr/>	<hr/>
		2,209,795	2,211,296
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Stocks and work in progress	11	132,170	272,936
Debtors	12	1,641,364	2,202,727
Cash at bank and in hand		852,339	9,116
		<hr/>	<hr/>
		2,625,873	2,484,779
		<hr/>	<hr/>
<b>CREDITORS: Amounts falling due within one year</b>	13	1,844,102	2,000,973
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		781,771	483,806
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,991,566	2,695,102
		<hr/>	<hr/>
<b>CREDITORS: Amounts falling due after more than one year</b>	14	113,514	101,772
		<hr/>	<hr/>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	15	158,189	115,945
		<hr/>	<hr/>
		£2,719,863	£2,477,385
		=====	=====
<b>FINANCED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	243,000	243,000
General reserve		1,240,000	1,110,000
Revaluation reserve		1,220,305	1,120,305
Profit and loss account	18	16,558	4,080
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>		£2,719,863	£2,477,385
		=====	=====

Approved by the Board on 24 July 1985  
and signed on their behalf:

N.R. BIERRUM

)   
) DIRECTORS

A.M. BIERRUM

The notes on pages 7 to 14 form an integral part of these Accounts.

BIERRUM AND BERINERS LIMITED

51

BALANCE SHEET31 APRIL 1985

	<u>Notes</u>	<u>1985</u>	<u>1984</u>
		£	£
<b>ASSETS EMPLOYED</b>			
<b>FIXED ASSETS</b>			
Tangible assets	9	999,795	1,011,250
Investment property	10	1,300,000	1,200,000
Subsidiary company	17	=	804,756
		<hr/>	<hr/>
		2,299,795	2,316,006
<b>CURRENT ASSETS</b>			
Stocks and work in progress	11	132,170	272,936
Debtors	12	1,640,759	2,099,892
Cash at bank and in hand		851,181	4,879
		<hr/>	<hr/>
		2,624,110	2,377,707
<b>CREDITORS: Amounts falling due within one year</b>	13	<hr/> 1,842,908	<hr/> 1,990,012
<b>NET CURRENT ASSETS</b>		<hr/> 781,202	<hr/> 387,695
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 2,990,997	<hr/> 2,703,701
<b>CREDITORS: Amounts falling due after more than one year</b>	14	113,514	101,772
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	15	158,189	115,945
		<hr/>	<hr/>
		£2,719,294	£2,485,984
<b>FINANCED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	243,000	243,000
General reserve		1,240,000	1,110,000
Revaluation reserve		1,220,305	1,120,305
Profit and loss account	18	15,989	12,679
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>		<hr/> £2,719,294	<hr/> £2,485,984

Approved by the Board on 24 July 1985  
and signed on their behalf:

N.R. BIERRUM

A.M. BIERRUM

) DIRECTORS

The notes on pages 7 to 14 form an integral part of these Accounts.

STATEMENT OF GROUP SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 30 APRIL 1955

	<u>1955</u>	<u>1954</u>
<b>SOURCE OF FUNDS</b>		
Profit/(loss) before taxation	325,853	(220,676)
Adjustment for items not involving movement of funds:		
Depreciation	159,263	195,413
Loss on sale of fixed assets	12,879	2,557
Difference on exchange	"	(684)
	<hr/>	<hr/>
	496,995	(23,390)
Proceeds of sale of fixed assets	35,707	11,919
	<hr/>	<hr/>
<b>TOTAL GENERATED FROM OPERATIONS</b>	<b>532,702</b>	<b>(11,471)</b>
	<hr/>	<hr/>
<b>APPLICATION OF FUNDS</b>		
Dividends paid	42,525	24,900
Purchase of fixed assets	105,348	109,738
Tax paid	10,560	15,057
	<hr/>	<hr/>
	158,433	149,695
	<hr/>	<hr/>
	£374,269	£(161,466)
	<hr/>	<hr/>
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Stocks	(140,766)	(467,096)
Debtors	(561,363)	305,042
Creditors	(98,267)	(178,871)
	<hr/>	<hr/>
	(800,396)	(340,925)
	<hr/>	<hr/>
Movement in net liquid funds		
Increase/(decrease) in cash at bank and in hand	843,223	(22,554)
Decrease in bank overdraft	331,442	202,013
	<hr/>	<hr/>
	1,174,665	179,459
	<hr/>	<hr/>
	£ 374,269	£(161,466)
	<hr/>	<hr/>



NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a) BASIS OF ACCOUNTS PREPARATION

These accounts have been drawn up under the historical cost convention, as modified by the revaluation of the investment property.

b) CONSOLIDATION PRINCIPLES

The group balance sheet and profit and loss account includes the balance sheets and results of the holding company and its subsidiary made up to the accounts date. In accordance with the exemption of the Companies Act 1985 no profit and loss account is published for the company.

c) TANGIBLE FIXED ASSETS

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

Freehold properties	2% of building costs
Plant equipment and vehicles	10% - 33 1/3% on reducing value basis
Computer hardware	20% on original cost basis

d) INVESTMENT PROPERTY

The investment property is valued annually by A.M. Bierrum, a director of the company.

e) STOCKS

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

f) 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.

g) FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies have been translated into sterling at the exchange rate ruling at the year end.

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 accounts.

NOTES TO THE ACCOUNTS (CONTINUED)

## i) CONTINGENT LIABILITIES

Contract performance bonds and warranty bonds in respect of certain contracts have been entered into by the parent company in the normal course of trading. The contingent value of these bonds being secured are shown at the year end in the notes to these accounts but are not otherwise accounted for.

## j) PENSION SCHEME

The company operates a fully funded contributory scheme insured with Norwich Union.

## 2. TURNOVER

Turnover of the group comprises the total of the accounts rendered during the year in respect of civil engineering work.

3. OPERATING PROFIT/(LOSS)  
is stated after charging:

	<u>1985</u>	<u>1984</u>
	£	£
a) Cost of Sales		
Directors' remuneration	9,432	15,261
Depreciation	99,982	149,993
Loss on sale of fixed assets	3,450	141
Hire of plant and machinery	87,364	97,510
Other costs	7,157,680	8,118,417
	<u>£7,357,908</u>	<u>£8,381,322</u>
	=====	=====
b) Research and development		
Directors remuneration	45,085	46,475
Other costs	2,894	851
	<u>£47,979</u>	<u>£47,326</u>
	=====	=====
c) Administrative expenses		
Auditors' remuneration	14,913	16,578
Depreciation	58,281	45,420
Loss on sale of fixed assets	9,429	2,416
Directors' remuneration	118,510	98,888
Special contribution to Pension Scheme	45,000	-
Other costs	486,376	557,488
	<u>£732,509</u>	<u>£720,788</u>
	=====	=====
and after crediting other operating income:		
d) Rental income	<u>£ 82,492</u>	<u>£ 70,198</u>
	=====	=====

BIERRUM AND PARTNERS LIMITED

2

NOTES TO THE ACCOUNTS (CONTINUED)

## 4. DIRECTORS AND STAFF

	<u>1983</u>	<u>1984</u>
	<u>£</u>	<u>£</u>
Directors of Bierrum & Partners Limited		
Fees	-	-
Other emoluments	173,027	160,662
	<u>          </u>	<u>          </u>
Emoluments, excluding Pension Scheme Contributions		
Chairman	30,523	29,211
Highest paid director	30,681	-
	<u>          </u>	<u>          </u>

In 1984 the chairman was the highest paid director.

## Other Directors

	<u>No.</u>	<u>No.</u>
£20,001 to £25,000	4	4
£25,001 to £30,000	-	1
	<u>          </u>	<u>          </u>

## Staff Costs (including Directors)

	<u>£</u>	<u>£</u>
Wages and salaries	1,808,510	1,976,108
Social security costs	152,290	169,750
Other pension costs	52,885	30,029
Other costs	49,103	52,221
	<u>          </u>	<u>          </u>
	<u>£2,062,788</u>	<u>£2,228,108</u>
	<u>          </u>	<u>          </u>

The average weekly number of employees during the year was:

	<u>No.</u>	<u>No.</u>
Management, office and selling	40	56
Contracting sites	127	123
	<u>          </u>	<u>          </u>
	<u>167</u>	<u>179</u>
	<u>          </u>	<u>          </u>

## 5. INTEREST PAYABLE

Payable on Bank Overdraft	<u>£ 9,895</u>	<u>£27,217</u>
	<u>          </u>	<u>          </u>

NOTES TO THE ACCOUNTS (CONTINUED)

	<u>1985</u>	<u>1984</u>
<b>6. TAX ON PROFIT (1984 - LOSS) ON ORDINARY ACTIVITIES</b>		
Based on the results for the year	£	£
Corporation tax @ 44.59%	150,000	=
Deferred tax @ 35% (1984 - 35%)	3,000	(120,000)
	<u>£153,000</u>	<u>£(120,000)</u>
<b>7. PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE HOLDING COMPANY</b>		
Dealt with in the Accounts of the Holding Company	172,853	(14,079)
Retained by Subsidiary Company	=	(5,597)
	<u>£172,853</u>	<u>£(19,676)</u>
<b>8. DIVIDENDS</b>		
Dividends on Ordinary and 'A' Ordinary Shares		
Interim of 7.5% (1985 5.0%) Paid on 22 April 1985	18,225	12,150
Final of 5.0% (1984 - 5%) Proposed	12,150	12,100
	<u>£30,375</u>	<u>£24,250</u>

NOTES TO THE ACCOUNTS (CONTINUED)

	<u>Total</u>	<u>Freehold Properties</u>	<u>Plant Equipment Vehicles</u>
	£	£	£
<b>9. TANGIBLE FIXED ASSETS</b>			
<b>BIERRUM &amp; PARTNERS LIMITED</b>			
Cost at 1 May 1984	1,953,114	490,812	1,462,302
Additions	105,348	-	105,348
	<hr/>	<hr/>	<hr/>
Cost of Disposals	2,053,462	490,812	1,562,650
	182,912	-	182,912
	<hr/>	<hr/>	<hr/>
At 30 April 1985	1,880,550	490,812	1,389,738
	<hr/>	<hr/>	<hr/>
Depreciation at 1 May 1984	246,864	23,815	223,049
Amount provided for year	158,263	4,152	154,111
	<hr/>	<hr/>	<hr/>
Eliminated for disposals	1,105,127	27,967	1,077,160
	134,372	-	134,372
	<hr/>	<hr/>	<hr/>
At 30 April 1985	970,755	27,967	942,788
	<hr/>	<hr/>	<hr/>
Net book values - 1985	£ 909,795	£462,845	£ 446,950
	<hr/>	<hr/>	<hr/>
Net book values - 1984	£1,511,250	£466,997	£ 544,289
	<hr/>	<hr/>	<hr/>
<b>THE GROUP</b>			
Cost at 1 May 1984	1,988,404	490,812	1,497,592
Additions	105,348	-	105,348
	<hr/>	<hr/>	<hr/>
Cost of disposals	2,093,752	490,812	1,602,940
	212,202	-	212,202
	<hr/>	<hr/>	<hr/>
At 30 April 1985	1,880,550	490,812	1,389,738
	<hr/>	<hr/>	<hr/>
Depreciation at 1 May 1985	977,108	23,815	953,293
Amount provided for year	158,263	4,152	154,111
	<hr/>	<hr/>	<hr/>
Eliminated for disposals	1,135,371	27,967	1,107,404
	154,616	-	154,616
	<hr/>	<hr/>	<hr/>
At 30 April 1985	970,755	27,967	942,788
	<hr/>	<hr/>	<hr/>
Net book values - 1985	£ 909,795	£462,845	£ 446,950
	<hr/>	<hr/>	<hr/>
Net book values - 1984	£1,011,296	£466,997	£ 544,289
	<hr/>	<hr/>	<hr/>

NOTES TO THE ACCOUNTS (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 revalued at 30 April 1985 by A.M. Bierrum, a director of the company, at £1,360,000 on the basis of rental income representing a 6½% return on investment. The surplus arising of £100,000 has been transferred to the revaluation reserve. The cost of the property was £97,502.

No provision has been made for the estimated tax of £275,000 which would become payable on the capital gain arising from the sale of the investment property at the valuation included in the accounts since the directors have no intention of disposing of this asset.

## 11. STOCKS

	<u>Bierrum &amp; Partners Limited</u>		<u>The Group</u>	
	<u>1985</u> £	<u>1984</u> £	<u>1985</u> £	<u>1984</u> £
Contracting work in progress	19,465	123,003	19,465	123,003
Stock of Materials and Tackle at cost or estimated realisable value if lower	112,705	149,933	112,705	149,933
	<u>£132,170</u>	<u>£272,936</u>	<u>£132,170</u>	<u>£272,936</u>

Contracting work in progress is stated after deduction of progress payment applications of £15,011,614 (1984 - £11,125,520) any excess on individual contracts being included in creditors.

12. DEBTORS	<u>Bierrum &amp; Partners Limited</u>		<u>The Group</u>	
	<u>1985</u> £	<u>1984</u> £	<u>1985</u> £	<u>1984</u> £
Trade debtors	1,541,690	1,927,201	1,541,690	2,026,690
Other debtors	77,704	149,701	78,309	149,701
Prepayments	21,365	22,990	21,365	26,536
	<u>£1,640,759</u>	<u>£2,099,892</u>	<u>£1,641,364</u>	<u>£2,202,927</u>

NOTES TO THE ACCOUNTS (CONTINUED)

	<u>Pierre &amp; Brothers</u> <u>Limited</u>		<u>The Group</u>	
	<u>1985</u> £	<u>1984</u> £	<u>1985</u> £	<u>1984</u> £
<b>13. CREDITORS</b>				
Amounts falling due within one year:				
Payments received on account	627,661	516,878	627,661	516,878
Bank loans and overdrafts	-	331,442	-	331,442
Trade creditors	455,929	152,354	455,929	152,927
Corporation tax	104,508	4,312	104,508	4,312
Other taxes and social security	36,030	46,793	36,030	46,824
Proposed dividend	12,150	24,300	12,150	24,300
Other creditors	41,253	72,849	42,447	73,585
Accruals	565,377	841,084	565,377	850,705
	<u>£1,842,908</u>	<u>£1,990,012</u>	<u>£1,844,102</u>	<u>£2,000,973</u>

**14. CREDITORS**

Amounts falling due after more than one year:

Retentions on contracts not yet completed	£ 113,514	£ 101,772	£ 113,514	£ 101,772
	=====	=====	=====	=====

**15. DEFERRED TAXATION**

Accelerated capital allowances	166,000	209,000	166,000	209,000
Corporation tax on losses carried forward	-	(46,000)	-	(46,000)
Advance corporation tax recoverable	(7,811)	(47,055)	(7,811)	(47,055)
	<u>£ 158,189</u>	<u>£ 115,945</u>	<u>£ 158,189</u>	<u>£ 115,945</u>
	=====	=====	=====	=====

Provision for deferred taxation has been made at 35% (1984 - 35%) to the full extent of any possible liability (except in respect of the investment property) as the directors do not consider that any other basis would be prudent.

NOTES TO THE ACCOUNTS (CONTINUED)

16. SHARE CAPITAL	1985		1984	
	Authorised £	Issued and Fully Paid £	Authorised £	Issued and Fully Paid £
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
	<u>£250,000</u>	<u>£243,000</u>	<u>£250,000</u>	<u>£243,000</u>
17. INVESTMENT IN SUBSIDIARY			1985	1984
			£	£
Bierrum Overseas Limited (incorporated in Eire) - 100% owned (1984 - 85% owned)				
Ordinary shares of IRE1 each 5,000 shares at cost (1984 - 4,152 shares)			4,759	4,010
Current account			289,276	372,353
			<u>294,035</u>	<u>376,363</u>
Less: provision			294,035	271,607
			<u>£ -</u>	<u>£104,756</u>
18. PROFIT AND LOSS ACCOUNT			The Group £	Bierrum & Partners Limited £
Retained profits at 1 May 1984			4,080	12,679
Retained profit for year			142,478	133,310
			<u>146,558</u>	<u>145,989</u>
Transfer to General Reserve			130,000	130,000
Retained profits at 30 April 1985			<u>£ 16,558</u>	<u>£ 15,989</u>
			1985	1984
			£	£
19. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS				
At the date of the balance sheet performance and warranty bonds were outstanding on which the company had given a counter indemnity amounting to			£ 193,189	£ 260,945
			<u>£ 193,189</u>	<u>£ 260,945</u>