

SOUTH WALES CONTRACTORS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

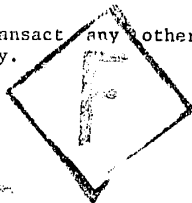
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Notice is hereby given that the Annual General Meeting of the Company will be held at Marlowe House, Sidcup, Kent on 15th April, 1982 for the following purposes:

To consider the statement of accounts for the year ended 31st December, 1981 together with the reports of the Directors and Auditors thereon.

To resolve that Deloitte Haskins & Sells be re-appointed as Auditors and to authorise the Directors to fix their remuneration.

To transact any other ordinary business of the Company.



BY ORDER OF THE BOARD

J.A. Theophilus
J.A. THEOPHILUS
SECRETARY

DATE: 15th April, 1982

REGISTERED OFFICE: Marlowe House, Station Road, Sidcup, Kent.

NOTE: A member of the Company entitled to attend and vote at this Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not also be a member of the Company.



SOUTH WALES CONTRACTORS LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Report to the Members together with audited accounts for the year ended 31st December, 1981.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be civil engineering and building contracting.

Details of the state of business are shown in the attached accounts and notes thereto.

FIXED ASSETS

Details of fixed assets and changes thereto are included in the notes to the accounts.

The completed properties held as investments and occupied by the Company have been valued by chartered surveyors, Jones Lang Wootton and King & Co, who have provided a certificate stating their opinion of the total of the open market valuations of the properties valued by them as at 31st December 1981.

The total amounts to £162,000, and has been incorporated in these accounts.

DIRECTORS

The Members of the Board during the year and their interests in the shares of the holding company were as follows:


	<u>Rush & Tompkins Group plc</u> <u>Ordinary Shares of 25p each</u>	
	<u>At 1.1.81</u>	<u>At 31.12.81</u>
J.M. Kretschmer	Director of Rush & Tompkins Group plc	
T. Clark	Nil	Nil
C.M. Sprott	Nil	Nil

The Directors had no material beneficial interest in any contracts to which the Company was a party other than those arising out of the normal course of business with the holding company and fellow subsidiaries.

AUDITORS

Deloitte Haskins & Sells have indicated their willingness to continue as Auditors, and a resolution to re-appoint them, in accordance with Section 14 (1) of the Companies Act 1976, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD


J.A. THEOPHILUS
SECRETARY

DATE: 15th April, 1982.

SOUTH WALES CONTRACTORS LIMITED

(a subsidiary of Rush & Tompkins Group plc)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1981

<u>1980</u>		<u>Notes</u>	<u>1981</u>
£			£
<u>£4,894,942</u>	TURNOVER	1	<u>£1,141,546</u>
(1,357,927)	Net loss - contracting		(146,991)
1,056,301	Profit on sale of plant		6,435
<u>-</u>	Profit on sale of properties		<u>53,506</u>
(301,626)			(87,050)
(27,273)	Management charge - holding company		-
(213,450)	Interest	4	(41,757)
<u>(227,206)</u>	Finance and management charge - holding company		<u>-</u>
(769,555)	Net loss before taxation and extraordinary item	2,3	(128,807)
<u>50,360</u>	Taxation	5	<u>202,434</u>
(719,195)			73,627
<u>(91,764)</u>	Extraordinary item	6	<u>(26,892)</u>
<u>£(810,959)</u>	Net profit for the year - (1980 loss)		<u>£46,735</u>

SOUTH WALES CONTRACTORS LIMITED

NOTES TO THE ACCOUNTS AT 31st DECEMBER, 1981

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared on the historical cost basis of accounting, modified to include the revaluation of certain assets. In the accounts the following accounting policies have been adopted.

Turnover

Turnover represents the sale value of contracting work done.

Stocks and work in progress

Stocks and work in progress are included at the anticipated net sale value of work done, including an allowance for variations, the recovery of which is assured with reasonable certainty and after provisions for any estimated future losses, less cash received on account. Profits less losses are taken into account during the course of each contract on the basis of regular valuations agreed with clients' representatives. Stock is included at the lower of cost and net realisable value.

Depreciation

Depreciation is provided so that the cost of each item is written off by equal annual instalments over its estimated useful life.

Contractors plant - between 3 - 7 years
Office equipment - between 5 - 10 years
Motor vehicles - between 4 - 5 years

No provision is made for amortisation or depreciation on investment properties.

Properties

Properties which are held as fixed assets and occupied by the Company are stated in the balance sheet at the open market valuation at the balance sheet date as made by chartered surveyors Jones Lang Wootton and King & Co.

Deferred taxation

Except to the extent that the Directors consider it will not be payable in the foreseeable future, full provision is made for deferred taxation.

2. LOSS BEFORE TAXATION

This is stated after charging	<u>1981</u>	<u>1981</u>
	£	£
Auditors' remuneration	5,000	4,100
Depreciation	162,965	1,689
Directors' emoluments as executives	34,205	12,020
Compensation on loss of office	7,500	-
Hire of plant	779,130	14,414

SOUTH WALES CONTRACTORS LIMITED

NOTES TO ACCOUNTS CONTINUED

3. DIRECTORS' EMOLUMENTS		
Particulars of Directors' emoluments, excluding pension contributions		
	<u>1980</u>	<u>1981</u>
	£	£
Chairman	<u>Nil</u>	<u>Nil</u>
Highest paid Director * (10 months only)	* <u>14,874</u>	<u>10,845</u>
Other Directors		
£ 0 - £ 5,000	1	1
£5,001 - £10,000	2	-
4. INTEREST		
	<u>1980</u>	<u>1981</u>
	£	£
Medium term loan	102,836	-
Short term loans and overdrafts	<u>110,614</u>	<u>41,757</u>
	<u>£213,450</u>	<u>£41,757</u>
5. TAXATION		
	<u>1980</u>	<u>1981</u>
	£	£
Group relief receivable - at 52%	(24,174)	(126,906)
- prior year	(359,301)	257,586
Deferred	<u>333,114</u>	<u>(333,114)</u>
	<u>£(50,361)</u>	<u>£(202,434)</u>
6. EXTRAORDINARY ITEM		
	<u>1980</u>	<u>1981</u>
	£	£
Redundancy and other termination costs	<u>£91,764</u>	<u>£26,892</u>
7. FIXED ASSETS		
	Investment Properties Freehold at valuation	Plant and Equipment at cost
	£	£
At 1st January 1981	264,000	99,797
Surplus on revaluation	8,000	-
Disposals during the year at cost	(110,000)	(48,591)
At 31st December 1981	162,000	51,206
Depreciation to date	-	49,366
At 31st December 1981	<u>£162,000</u>	<u>£ 1,840</u>
At 31st December 1980	<u>264,000</u>	<u>6,349</u>

SOUTH WALES CONTRACTORS LIMITED

NOTES TO ACCOUNTS CONTINUED

8. GROUP BALANCES

	<u>1980</u>	<u>1981</u>
	£	£
Due to holding company	1,840,198	3,242,591
Due from fellow subsidiaries	(1,101,768)	(1,318,287)
	<u>£ 738,430</u>	<u>£1,924,304</u>

9. STOCKS AND WORK IN PROGRESS - CONTRACTING

	<u>1980</u>	<u>1981</u>
	£	£
Work in progress:		
Contracting	16,119,705	15,452,163
Cash received on account	(15,333,264)	(14,864,020)
	786,441	588,143
Stocks	<u>18,220</u> ²⁸⁹ <i>289</i>	<u>2,461</u>
	<u>£ 804,730</u>	<u>£ 590,604</u>

10. SHARE CAPITAL

	<u>1980</u>	<u>1981</u>
	£	£
Authorised, issued and fully paid:		
20,000 1% non-cumulative, non-participating deferred shares of £1 each (formerly ordinary shares)	20,000	20,000
20 ordinary shares of £1 each	<u>20</u>	<u>20</u>
	<u>£20,020</u>	<u>£20,020</u>

11. RESERVES

	<u>Surpluses on Revaluation of Freehold Land and Buildings</u>	<u>Retained Profits</u>
	£	£
At 31st December 1980	146,475	(1,448,950)
Profit for the year	-	46,735
Realised surplus on property sold	(56,966)	-
Surplus on revaluation	<u>8,000</u>	<u>-</u>
At 31st December 1981	<u>£97,509</u>	<u>£(1,402,215)</u>

SOUTH WALES CONTRACTORS LIMITED

NOTES TO ACCOUNTS CONTINUED

12. TAXATION

The effect of stock relief and other taxation allowances was been to increase the taxation relief for the year by £32,290 (1980 - £40,724).

The Company has additional corporation tax losses, not reflected above amounting to £381,390 (1980 - £Nil) which are available to be carried forward and set against future profits of the relevant trade.

The losses carried forward include stock relief of £325,731 (1980 - £Nil) and capital allowances of £957 (1980 - £Nil) of the stock relief £60,407 (1980 - £60,407) claimable under the Finance Act 1981 is available for utilisation only against taxable profits within 6 years of the year in respect of which the relief was originally claimable.

Any liability to tax on capital gains that would arise in the event of the disposal of the investment properties at the value at which they are included in the accounts cannot, in the opinion of the Directors, be quantified. However, even if the cost is taken as base value, the maximum liability that could arise on the basis of current rates of taxation on capital gains is £29,252 (1980 - £43,943).

13. HOLDING COMPANY

The holding company is Rush and Tompkins Group plc, which is incorporated in Great Britain, it has assumed responsibility for the liabilities of the company.

AUDITORS' REPORT TO THE MEMBERS OF

SOUTH WALES CONTRACTORS LIMITED

We have audited the accounts on pages 3 to 8 in accordance with approved Auditing Standards.

In our opinion, the accounts give a true and fair view of the state of the company's affairs at 31st December, 1981 and of its result for the year then ended, and comply with the Companies Acts 1948 to 1981.

The accounts do not include a statement of source and application of funds as required by standard accounting practice.

Deloitte Haskins & Sells

Deloitte Haskins & Sells,
Chartered Accountants,
Newport.

Date: 15th April, 1982.