

Community  
at the core of  
construction



# Higgins



HIGGINS CONSTRUCTION PLC



ANNUAL REPORT

# 2011

## 1960's



Education, Science block, Rainham Secondary School

## 1970's



Refurbishment Works, Chelsea Manor Buildings, Chelsea

## 1980's



New Build, Richard's Place, London

## 1990's



Sheltered Care Homes, Limewood Court, Ilford

## 2000's



Sheltered Care Homes, Huntingfields

## 2010's



Education, Science Block, Latymer Upper School



## 2010's



Refurbishment Works, Brockley PFI

## 2010's



New Build, Aqua Vista

# 1961–2011

50 years of delivering  
quality for the communities  
in which we work.

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## Directors and Corporate Information

### **Directors**

R G Higgins ACIOB (Chairman)  
S P Higgins BA  
S J Leakey BSc (Managing Director)  
S Bailless MCI0B  
A M Board FCI0B  
K Briggs MCI0B BSc  
P Burrows MCI0B  
P Cooke MCI0B CEnv  
P H Lewellen BSc FCA  
G Roberts MCI0B  
B T Sabin FCI0B MBIM MCIM

### **Secretary**

P H Lewellen BSc FCA

### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

### **Bankers**

HSBC Bank PLC  
West End Corporate Banking Centre  
2nd Floor, 70 Pall Mall  
London  
SW1Y 5EZ

### **Registered Office**

One Langston Road  
Loughton  
Essex  
IG10 3SD

### **Registered Number**

684617

### **Company website**

[www.higginsconstruction.co.uk](http://www.higginsconstruction.co.uk)

## Directors' Report

### Introduction

The Directors present their Annual Report and Financial Statements for the year ended 31 July 2011.

### Principal activities of the Company

The principal activity of the Company during the year was that of building contracting.

There were no significant changes in the Company's activities during the year and it is the Directors' intention to develop the business taking account of prevailing market conditions.

### Review of the business

The Directors are pleased to announce the results of Higgins Construction PLC show another solid year for the Company.

Turnover has reduced by 3% to £151.7 million (2010: £156.5 million) and the reduction in profit before taxation to £6.0 million (2010: £9.4 million) reflects a very competitive tendering market. The Directors continue to maintain strong budgetary controls and are investigating complementary markets to utilise the existing expertise.

As the Company celebrates its 50 year anniversary the Directors are proud of its reputation and status as a "community contractor". As the Company moves into its next 50 year period the Directors are keen to continue working in partnership with our clients to create environments in which communities can thrive.

The level of traditional grant funding available for social housing is limited and we are committed to working with our Registered Social Landlord clients and supply chain to provide innovative funding solutions. The Directors are continuing to work closely with Higgins Homes PLC to provide a "one stop shop" for our Social Housing Partners who are looking to maximise the return on their schemes through private development.

Work is now under way on the construction of a new £18 million secondary school in Epping. We are self-funding this project and will, once complete, receive transfer of the redundant school land for private housing. This is an illustration of how, with a strong financial base, we are able to unlock potential during times of government cutbacks.

The Directors are aware of the inherent risks within the Construction industry. The Directors monitor and manage these risks through internal controls and maintaining awareness of market conditions, availability of public funds and the contract tendering process. Market initiatives such as sustainable mixed use development and the maintenance of strong relationships with clients and suppliers will ensure that the Company can adapt to changing market demands.

### Results and dividends

The results for the year are shown in the profit and loss account. During the year no interim dividend was paid. A final dividend of £2.5 million has been paid. (2010: A final dividend of £4 million was paid).

### Directors

Those Directors listed on page 2, other than where indicated, held office throughout the year and at the date of this report.

## Directors' Report

### **Creditor payment policy**

The Company's current policy concerning creditors is to:

- a) agree payment terms with its suppliers when it enters into binding purchase contracts;
- b) ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- c) abide by the payment terms agreed whenever it is satisfied that the supplier has provided the goods or services in accordance with the contracts.

For the year to 31 July 2011 the Company's average payment period from date of invoice or agreement of valuation was 32 days (2010: 24 days).

### **Employment of disabled persons**

It is the policy of the Company to employ disabled persons where they are suited to a particular vacancy and to develop their careers by means of training and promotion.

### **Employee involvement**

The Company encourages disclosure of information and employee involvement in matters of concern to their employment. Special attention is paid to Health and Safety and Quality Assurance, as a result the Company has obtained the Gold Standard 'Certificate of Commitment' for over 75% of employees holding health and safety CSCS Cards, accordingly industrial accidents remain at a level well below the industry norm. The Company actively promotes training programmes, the employment of trade apprentices and the participation in other youth training schemes; particularly within the London Boroughs' neighbourhood centres.

### **Investors in people**

During the period the Company continued to hold 'Investors in People' status confirming the Company's commitment to its employees.

### **Quality assurance**

The Company has received accreditation under ISO 9001 as a quality assured contractor and ISO 14001 showing the Company's commitment to sustainability.

### **Auditor**

In accordance with Section 489 of the Companies Act 2006, a resolution to re-appoint KPMG LLP as auditor of the Company is to be proposed at a forthcoming General Meeting.

### **Disclosure to Auditors**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **By Order of the Board**

P H Lewellen BSc FCA  
Company Secretary  
25 October 2011



## Statement of Directors' Responsibilities

in respect of the Directors' Report and Financial Statements 31 July 2011

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company Law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). Under Company law the Directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Directors are required to: select suitable accounting policies and then apply them consistently; make judgments and estimates that are reasonable and prudent; state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and to 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Profit and Loss Account

For the year ended 31 July 2011

	Notes	2011 £'000	2010 £'000
<b>Turnover</b>	2	151,665	156,457
Cost of sales		(136,400)	(138,120)
<b>Gross profit</b>		15,265	18,337
Administrative expenses		(9,400)	(8,864)
<b>Operating profit</b>	3	5,865	9,473
Net interest receivable/(payable)	5	147	(90)
<b>Profit on ordinary activities before taxation</b>	2	6,012	9,383
Taxation on profit on ordinary activities	6	(1,547)	(2,619)
<b>Profit on ordinary activities after taxation</b>	15	4,465	6,764

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents.

No activities were acquired or discontinued during the year.

## Statement of Total Recognised Gains and Losses

For the year ended 31 July 2011

	2011 £'000	2010 £'000
Profit for the financial year	4,465	6,764
Unrealised deficit on revaluation of property	(1,640)	-
<b>Total recognised gains relating to the year</b>	<b>2,825</b>	<b>6,764</b>

The notes on pages 8 to 17 form an integral part of these financial statements.

## Balance Sheet

As at 31 July 2011

	Notes	£'000	2011 £'000	£'000	2010 £'000
<b>Fixed assets</b>					
Tangible assets	7		21,589		23,444
Investments	8		8		8
			21,597		23,452
<b>Current assets</b>					
Stock	10	2,703		1,937	
Debtors	9	43,863		32,467	
Cash at bank and in hand		28,981		33,795	
		75,547		68,199	
<b>Creditors: amounts falling due within one year</b>	11	(63,624)		(57,176)	
<b>Net current assets</b>			11,923		11,023
<b>Total assets less current liabilities</b>			33,520		34,475
<b>Creditors: amounts falling due after more than one year</b>					
	12		(2,603)		(3,787)
<b>Provision for liabilities and charges</b>	13		(71)		(167)
<b>Net assets</b>			30,846		30,521
<b>Capital and reserves</b>					
Called up share capital	14		234		234
Revaluation reserve	15		4,990		6,630
Profit and loss account	15		25,622		23,657
<b>Equity shareholders' fund</b>			30,846		30,521

These financial statements were approved by the Board of Directors on 25 October 2011.

S Leakey BSc  
Managing Director

P H Lewellen BSc FCA  
Director

Company Registration No. 684617

The notes on pages 8 to 17 form an integral part of these financial statements.

## Notes to the Accounts

For the year ended 31 July 2011

### **I. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### **(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain freehold properties, and in accordance with applicable accounting standards.

The Directors continue to maintain detailed forecasts for turnover and profit contribution for a period of 12 and 24 months. Having reviewed these forecasts, which take into account current market trends with reasonable judgements and estimates the Directors believe that the Company has adequate resources to continue in operation for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis in preparing these financial statements.

#### **(b) Tangible fixed assets and depreciation**

##### *Freehold property*

Freehold properties held by the Company are included in fixed assets at their latest valuation plus subsequent additions at cost. It is the policy of the Company to revalue freehold properties at least every five years. Surpluses or deficits on revaluation are included in the revaluation reserve account. Provision for any impairment in the value of properties held as fixed assets is made in the profit and loss account.

Depreciation is not provided in respect of freehold properties occupied. This is because the estimated remaining useful economic lives of the fixed assets have been determined to be in excess of 50 years and consequently any depreciation would not be considered to be material. In accordance with Financial Reporting Standard ("FRS") 11, Impairment of fixed assets and goodwill, the assets are reviewed for impairment at the end of each reporting period.

##### *Other tangible fixed assets*

Tangible fixed assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided by the Company, on a reducing balance basis, to write off the cost, less the estimated residual value, of tangible fixed assets over their estimated useful lives as follows:

Leasehold Property	– Period of the Lease
Plant and equipment	– 25% per annum
Motor vehicles	– 25% per annum
Office equipment	– 15% per annum

#### **(c) Turnover recognition**

Turnover is normally determined by external certification and is the gross value of work carried out for the period to the balance sheet date (including retentions) but excludes claims until they are actually certified.

#### **(d) Long-term contract balances**

Amounts recoverable on contracts are valued at surveyors' valuations, including attributable profit estimated to be earned to date less provision for any known or anticipated losses and are shown net of payments on account received or receivable. Attributable profit is based upon an assessment of the final outturn on contracts which includes forecast costs to complete and final anticipated valuations. Claims receivable are recognised as income once received or certified for payment.

## Notes to the Accounts

For the year ended 31 July 2011

### **1. Accounting policies continued**

#### **(e) Taxation**

Corporation tax payable is provided on taxable profits at the current rate. Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date, except that:

- i) deferred tax is not recognised on the revaluation of land and buildings unless there is a binding agreement to sell the revalued property and it is probable that any taxable gain arising on the sale will not be rolled over into the purchase of another asset;
- ii) deferred tax assets are recognised only to the extent that they are considered recoverable.

#### **(f) Pension cost**

The Company is a participating company in a Group Pension Scheme which has both defined contribution and defined benefit sections but which was closed to future accrual on 30th April 2010. It also sponsors a defined contribution Personal Pension Scheme. All pensionable assets are held separately from those of the Company. Contributions in respect of defined contribution pension schemes are charged to the profit and loss account when they are payable. In respect of the defined benefit section of the Group Pension Scheme, the company cannot identify its share of assets and liabilities of the group scheme, and as such accounts for it as a defined contribution scheme.

#### **(g) Leases**

Operating lease costs are charged to the profit and loss account on a straight line basis. Fixed assets leased under finance leases are capitalised and depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital outstanding.

#### **(h) Cash flow statement**

Under FRS1, Cash flow statements, the Company is exempt from the obligation to prepare a cash flow statement on the grounds that its ultimate parent company, Higgins Group PLC, prepares a consolidated cash flow statement, incorporating the cash flows of the Company.

#### **(i) Group accounts**

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

### **2. Analysis of turnover and profit on ordinary activities before taxation**

Turnover and profit on ordinary activities before taxation are attributable entirely to building contracting. All activity relates to work done in the United Kingdom.

## Notes to the Accounts

For the year ended 31 July 2011

### 3. Operating profit

	2011 £'000	2010 £'000
<b>Operating Profit is stated after charging/(crediting):</b>		
Aggregate Directors' emoluments (Note 4)	1,772	2,019
Depreciation	714	779
Hire of plant and machinery	366	472
Auditor's remuneration	34	34
Loss on sale of fixed assets	5	26
Management charges	145	(37)

### 4. Staff costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	2011 Number	2010 Number
Office and management	119	116
Contract staff	212	210
	331	326

Their total remuneration comprised:	£'000	£'000
Wages and salaries	14,276	14,779
Social security costs	1,470	1,431
Other pension costs	614	800
	16,360	17,010

Pension costs of the Company, as described in Note 1 (f), are determined by the schemes operated by the ultimate parent company, Higgins Group PLC. Details are disclosed in that Company's accounts.

The aggregate emoluments (excluding pension contributions) of the highest paid Director amounted to £243,424 (2010: £243,284). This Director participated in a defined benefit pension scheme (closed to future accrual on 30 April 2010) during the year and his accrued pension at 31 July 2011 amounted to £23,550 per annum (2010: £22,026 per annum). In addition £24,000 was contributed to a defined contribution pension scheme.

## Notes to the Accounts

For the year ended 31 July 2011

### 5. Net interest receivable/(payable)

	2011 £'000	2010 £'000
Interest income	271	301
Interest payable on bank loan	(124)	(391)
	147	(90)

### 6. Taxation on profit on ordinary activities

	2011 £'000	2010 £'000
Analysis of charge in year		
UK Corporation tax charge at 27.33% (2010: 28%)	1,643	2,662
Adjustments in respect of prior years	–	(38)
	1,643	2,624
Deferred tax movement (Note 13)	(96)	(5)
	1,547	2,619

The Company is not aware of any factors that could materially affect the tax charge for the year or future tax charges.

#### Factors affecting the tax charge for the current period

The current tax charge for the period is not significantly different (2010: not significantly different) from the standard rate of corporation tax in the UK of 27.33% (2010: 28%). The differences are explained below:

	2011 £'000	2010 £'000
Profit on ordinary activities before taxation	6,012	9,383
Current tax at 27.33% (2010: 28%)	1,643	2,627
<b>Effects of:</b>		
Expenses not deductible for tax purposes	52	59
Capital allowances for period in excess of depreciation	(62)	(24)
Adjustments to tax charge in respect of previous periods	–	(38)
Other adjustments	10	–
Total current tax charge (see above)	1,643	2,624

## Notes to the Accounts

For the year ended 31 July 2011

### 7. Tangible fixed assets

	Freehold Property £'000	Leasehold Property £'000	Motor Vehicles £'000	Plant & Equipment £'000	Total £'000
<b>Cost or valuation</b>					
At beginning of year	20,000	170	1,590	7,616	29,376
Additions	-	-	108	456	564
Disposals	-	-	(115)	(402)	(517)
Revaluation	(1,640)	-	-	-	(1,640)
At end of year	18,360	170	1,583	7,670	27,783
<b>Depreciation</b>					
At beginning of year	-	21	1,000	4,911	5,932
Provision in year	-	10	161	543	714
On disposals	-	-	(95)	(357)	(452)
At end of year	-	31	1,066	5,097	6,194
<b>Net book amount</b>					
At 31 July 2011	18,360	139	517	2,573	21,589
At 31 July 2010	20,000	149	590	2,705	23,444

The freehold property is located at One Langston Road, Loughton, Essex and is the Company's Head Office. This property was professionally valued at £18,360,000 by Savills, Chartered Surveyors, as at 31 July 2011 on an existing value basis in compliance with RICS Statement of Asset Valuation Practice and Guidance Notes. The open market value of the property was £13,980,000.

The differential in assessing the open market value of this property arises from a significant allowance for void and rent-free periods and a higher level of construction cost associated with the planning consent to extend the existing building.

The historical cost of the freehold property is £13,370,669 (2010: £13,370,669).

The leasehold property comprises:

- Leasehold improvements undertaken at the Company's Business Continuity Offices. The property is held on a 10 year lease commencing 30th May 2008
- Leasehold improvements undertaken at the Company's Plant Yard Offices. The property is held on a 25 year lease commencing 1 October 1991.

## Notes to the Accounts

For the year ended 31 July 2011

### 8. Fixed asset investments

Fixed asset investments comprise interests in £1 ordinary shares in the following companies:

	Shares held	Cost 2011 £'000	Cost 2010 £'000
<b>Shares in wholly owned Subsidiary Undertakings</b>			
D J Higgins Construction Ltd	1,000	1	1
D J Higgins Building Works Ltd	1,000	1	1
D J Higgins Plant Limited	1,000	1	1
Station Garage (Loughton) Ltd	5,000	5	5
		<b>8</b>	<b>8</b>

The subsidiary undertakings, all registered in England and 100% owned, did not trade during the year and hence made neither profit nor loss. The Company is not required to prepare consolidated financial statements as it is a wholly owned subsidiary of Higgins Group PLC.

### 9. Debtors

	2011 £'000	2010 £'000
Trade debtors	17,674	17,774
Amounts recoverable on contracts	4,655	5,548
Amount owed by parent company	20,502	8,387
Amount owed by fellow subsidiary undertakings	16	16
Other debtors	521	179
Prepayments and accrued income	495	563
	<b>43,863</b>	<b>32,467</b>

Debtors include the following amounts falling due after more than one year:

- (a) £15,917 (2010: £15,917) falling due from a subsidiary undertaking, and
- (b) retentions totalling £2,386,000 (2010: £2,262,000) (included within trade debtors) on current contracts, where payment will not fall due until after completion of the contracts.

## Notes to the Accounts

For the year ended 31 July 2011

### 10. Stocks

	2011 £'000	2010 £'000
Stocks and works in progress	2,703	1,937

Stocks and works in progress are reported at net cost less foreseeable losses.

### 11. Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Bank loan and overdraft	3,226	5,549
Trade creditors	14,191	10,656
Payments on account	14,980	10,231
Amounts owed to fellow subsidiary companies	8	8
Taxation and social security	1,664	1,717
Other creditors	6	6
Accruals and deferred income	29,549	29,009
	<b>63,624</b>	<b>57,176</b>

The bank loan is secured by a fixed charge on the Company's freehold property, and by a guarantee from Higgins Group PLC.

### 12. Creditors: amounts falling due after more than one year

	2011 £'000	2010 £'000
<b>Bank loan</b>		
Amounts due:		
Between 1 and 2 years	1,251	1,251
Between 2 and 5 years	1,352	2,536
	<b>2,603</b>	<b>3,787</b>

The bank loan is repayable by monthly instalments and interest is charged at a rate linked to the bank base lending rate.

The bank loan is secured by a fixed charge on the Company's freehold property and by a guarantee from Higgins Group PLC.

## Notes to the Accounts

For the year ended 31 July 2011

### 13. Provision for liabilities and charges

Deferred taxation provided in the accounts is as follows:

	2011 £'000	2010 £'000
Accelerated capital allowances	71	167

### 14. Called up share capital

	2010 £'000	2010 £'000
Allotted and fully paid:		
234,000 Ordinary shares of £1 each	234	234

### 15. Reserves

	Revaluation reserve £'000	Profit & loss account £'000	Total £'000
At beginning of year	6,630	23,657	30,287
Profit for financial year	-	4,465	4,465
Dividends paid (note 16)	-	(2,500)	(2,500)
Revaluation in the period	(1,640)	-	(1,640)
At end of year	4,990	25,622	30,612

Shareholders' funds are attributable entirely to equity interests.

### 16. Dividend

	2011 £'000	2010 £'000
Final dividend	2,500	4,000

## Notes to the Accounts

For the year ended 31 July 2011

### 17. Capital commitments

	2011 £'000	2010 £'000
<b>Capital expenditure not provided in the accounts:</b>		
Contracted	85	27
	<b>85</b>	<b>27</b>

### 18. Contingent liabilities and leasing obligations

(a) The Company has entered into counter indemnities in respect of performance bonds in the normal course of business.

(b) At 31 July 2011 the Company had contractual liabilities in respect of operating leases and contract hire agreements. The estimated future commitment in the next financial year is as follows:

	Contract			Contract		
	Property 2011 £'000	Hire 2011 £'000	Total 2011 £'000	Property 2010 £'000	Hire 2010 £'000	Total 2010 £'000
Lease expiring						
Less than 1 year	–	9	9	–	158	158
1 to 5 years	–	588	588	–	189	189
Over 5 years	41	–	41	41	–	41
	<b>41</b>	<b>597</b>	<b>638</b>	<b>41</b>	<b>347</b>	<b>388</b>

### 19. Related parties

Under FRS 8, related party disclosures, the Company is exempt from the requirement to disclose related party transactions with the Higgins Group and its associated undertakings on the grounds that it is a wholly owned subsidiary undertaking of Higgins Group PLC.

## Notes to the Accounts

For the year ended 31 July 2011

### **20. Ultimate parent and controlling company**

The Company is a subsidiary undertaking of Higgins Group PLC which is the ultimate Parent Company and is incorporated in England and Wales.

The only group in which the results of the Company are consolidated is that headed by Higgins Group PLC. The consolidated financial statements of the group are available to the public and may be obtained from the Company's Registered Office.

## Independent Auditor's Report

### **Independent Auditor's Report to the members of Higgins Construction PLC**

We have audited the financial statements of Higgins Construction PLC for the year ended 31 July 2011 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2011 and of its profit for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Shaun Kirby (Senior Statutory Auditor)**

For and on behalf of KPMG LLP  
Statutory Auditor, Chartered Accountants  
15 Canada Square, London E14 5GL  
25 October 2011

## Notice of Meeting

Short notice, having been approved, is hereby given that the Annual General Meeting of Higgins Construction PLC will be held at One Langston Road, Loughton, Essex on 22 November 2011 at 11.00am to transact the following business:

1. To receive and approve the Annual Report and Accounts for the year ended 31 July 2011 and the report of the Directors and Auditor thereon.
2. To appoint KPMG LLP as the auditor of the Company and to authorise the Directors to fix their remuneration.
3. To transact any other business which may be transacted at an Annual General Meeting.

### **By Order of the Board**

P H Lewellen BSc FCA  
Company Secretary  
25 October 2010

The Register of Directors and interests in the Company's shares are available for inspection at the Registered Office of the Company during usual business hours (weekends and public holidays excepted) and at the meeting from 15 minutes prior to and during the meeting.

Printed on Satimat which contains virgin wood fibre and is produced at a mill that holds the ISO14001 certificate for environmental management. The pulp is bleached using a combination of Elemental Chlorine Free (ECF) and Totally Chlorine Free (TCF) methods. The covers have been laminated with Cellogreen biodegradable laminate.

Designed and produced by Deane Wakefield Limited



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