

**J P WHELAN & SONS (CONSTRUCTION)
LIMITED**

Report and Financial Statements

31 January 2000

**Deloitte & Touche
South East Regional Office
63 High Street
Crawley
West Sussex
RH10 1BQ**



REPORT AND FINANCIAL STATEMENTS - 2000

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 January 2000.

PRINCIPAL ACTIVITY

The principal activity of the company is that of plant hire and sales and related activities.

REVIEW OF THE BUSINESS AND FUTURE PROSPECTS

The company has had a difficult period of trading and the directors anticipate that the difficult trading conditions will continue in the coming year.

RESULTS AND DIVIDENDS

Details of the results for the year are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend for the year (eighteen months to 31 January 1999 - £nil).

DIRECTORS

The directors who served throughout the year were as follows:

J P Whelan
Mrs S Whelan
D G Peet
J J Whelan

No director had any interests in the shares of the company or its fellow subsidiary undertakings.

The directors who served the parent company, J P Whelan (Investments) Limited, throughout the year and their interests in the shares of that company were as follows:

	Ordinary shares of £1 each	
	31 January 2000	31 January 1999
J P Whelan	602	602
Mrs S Whelan	301	301
J J Whelan	-	-

No other directors had any interests in the shares of the parent company. There are no other shares in issue in the parent company.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



MRS S WHELAN
Secretary

29th November 2000

DIRECTORS' STATEMENT OF 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 as at the end of the financial year 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; and
- 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 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.



AUDITORS' REPORT TO THE MEMBERS OF

J P WHELAN & SONS (CONSTRUCTION) LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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.

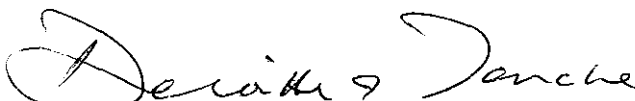
BASIS OF OPINION

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 January 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


DELOITTE & TOUCHE

Chartered Accountants and
Registered Auditors

 November 2000

PROFIT AND LOSS ACCOUNT
Year ended 31 January 2000

	Note	Year ended 31 January 2000	Eighteen months to 31 January 1999
		£	£
TURNOVER – continuing activities	1	449,100	607,249
Change in stocks		(51,519)	(1,759)
Raw materials and consumables		245,140	176,448
Other external charges		74,448	94,637
Staff costs	3	112,564	195,188
Depreciation		22,545	27,326
Profit on disposal of fixed assets (including exceptional profit on disposal of £315,787 (1999 - £nil))		(315,787)	(35,606)
Other operating charges		100,460	169,518
		<u>187,851</u>	<u>625,752</u>
OPERATING PROFIT/(LOSS) - continuing activities	2	261,249	(18,503)
Other interest receivable and similar income	5	376	-
Interest payable and similar charges	6	(1,281)	(2,630)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		260,344	(21,133)
Tax charge on profit/(loss) on ordinary activities	7	(60,302)	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		200,042	(21,133)
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		<u>556,437</u>	<u>577,570</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u>£756,479</u>	<u>£556,437</u>

There are no recognised gains or losses and movements in shareholders' funds other than as stated in the profit and loss account above in both the current year and prior period. Accordingly no statement of total recognised gains and losses or reconciliation of movements in shareholders' funds is prepared.

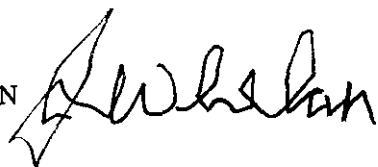
BALANCE SHEET
31 January 2000

	Note	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	8		194,619		190,899
CURRENT ASSETS					
Stocks	9	82,750		31,231	
Debtors	10	1,207,513		1,111,386	
Cash at bank and in hand		165,825		66,919	
		<u>1,456,088</u>		<u>1,209,536</u>	
CREDITORS: amounts falling due within one year	11	<u>891,420</u>		<u>836,879</u>	
NET CURRENT ASSETS			<u>564,668</u>		<u>372,657</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			759,287		563,556
CREDITORS: amounts falling due after more than one year	12		<u>(2,805)</u>		<u>(7,116)</u>
TOTAL NET ASSETS			<u>£756,482</u>		<u>£556,440</u>
CAPITAL AND RESERVES					
Called up share capital	13		3		3
Profit and loss account			<u>756,479</u>		<u>556,437</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>£756,482</u>		<u>£556,440</u>

These financial statements were approved by the Board of Directors on 29 November 2000.

Signed on behalf of the Board of Directors

J P WHELAN




MRS S WHELAN

NOTES TO THE ACCOUNTS

Year ended 31 January 2000

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents the hire and sale of plant and equipment to the construction industry. All trading is carried out within the UK.

Depreciation

No depreciation is provided on freehold land. Freehold buildings are depreciated over 50 years.

Depreciation of plant, equipment and vehicles is calculated to write off their cost by equal annual instalments over their estimated useful lives, which are considered to be between 3 and 5 years.

Stocks

Materials and plant held for resale are valued at the lower of cost and net realisable value.

Pension costs

The company operates a defined contribution pension scheme. The assets of the fund are held in a separate trustee administered fund.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

Leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are capitalised at their fair value on the inception of the leases and depreciation over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital amount outstanding.

NOTES TO THE ACCOUNTS
Year ended 31 January 2000

2. OPERATING PROFIT/(LOSS)

	Year ended 31 January 2000 £	Eighteen months to 31 January 1999 £
Operating profit/(loss) is arrived at after charging:		
Depreciation		
Owned assets	£17,778	£17,370
Assets held under hire purchase contracts	£4,767	£9,956
Auditors' remuneration		
Audit fees	£3,750	£3,600
Other services	£1,000	£1,000
Hire of plant	£11,135	£25,164
Contribution towards overheads of fellow subsidiary undertaking	£40,000	£82,700
and after crediting:		
Profit on sale of fixed assets (including exceptional profit on disposal of £315,787 (1999 - £nil))	£315,787	£35,606

3. EMPLOYEES (INCLUDING DIRECTORS)

	Year ended 31 January 2000 No.	Eighteen months to 31 January 1999 No.
Average number of persons employed		
Plant hire and sales	2	3
Management and administration	5	6
	7	9
	£	£
Staff costs during the period		
Wages and salaries	99,001	173,838
Social security costs	10,738	17,363
Other pension costs	2,825	3,987
	£112,564	£195,188

The pension cost of £2,825 (eighteen months to 31 January 1999 - £3,987) charged in the profit and loss account represents contributions payable in the period. There were no contributions outstanding at the year end (1999 - £nil).

NOTES TO THE ACCOUNTS
Year ended 31 January 2000

4. DIRECTORS AND RELATED PARTY TRANSACTIONS

	Year ended 31 January 2000 £	Eighteen months to 31 January 1999 £
Directors' emoluments		
Management remuneration	£55,484	£76,430
	<u> </u>	<u> </u>
	No.	No.
Number of directors who are members of a defined contribution pension scheme	1	1
	<u> </u>	<u> </u>
	£	£
Contributions paid into a defined contribution pension scheme	£1,575	£2,363
	<u> </u>	<u> </u>

At 31 January 2000 the company had advanced sums totalling £56,000 (1999 - £56,000) to Shannon Investments Limited. During the year the company received income of £1,664 (eighteen months to 31 January 1999 - £1,160) in respect of plant hire transactions with Whelan & Grant (Contractors) Limited. All transactions were on an arms' length basis.

J P Whelan Esq has a beneficial interest in each of the above companies.

The company has taken advantage of the exemption in FRS8 extended to subsidiary undertakings 90% or more of whose voting rights are controlled within a group, where the consolidated financial statements of the group are publicly available. Accordingly no disclosure has been made of transactions with entities that are part of the group.

5. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 January 2000 £	Eighteen months to 31 January 1999 £
Bank deposit interest	£376	£-
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 January 2000 £	Eighteen months to 31 January 1999 £
Hire purchase contracts	£1,281	£2,630
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
Year ended 31 January 2000

7. TAX CHARGE ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	Year ended 31 January 2000 £	Eighteen months to 31 January 1999 £
Taxation comprises:		
Corporation tax payable at 30%	£60,302	£-

The tax charge for the year is disproportionately low due to tax reliefs available.

At 31 January 2000 and 31 January 1999 the company has deferred tax assets in respect of which no provision has been made in the accounts.

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment and vehicles £	Total £
Cost			
At 1 February 1999	168,875	952,787	1,121,662
Additions	-	28,962	28,962
Disposals	-	(267,087)	(267,087)
At 31 January 2000	168,875	714,662	883,537
Depreciation			
At 1 February 1999	19,293	911,470	930,763
Charge for the year	1,675	20,870	22,545
Disposals	-	(264,390)	(264,390)
At 31 January 2000	20,968	667,950	688,918
Net book value			
At 31 January 2000	£147,907	£46,712	£194,619
At 31 January 1999	£149,582	£41,317	£190,899

The net book value of plant, equipment and vehicles includes £7,152 (1999 - £24,072) in respect of assets held under a hire purchase contract.

9. STOCKS

	2000 £	1999 £
Materials and plant held for resale	£82,750	£31,231

NOTES TO THE ACCOUNTS
Year ended 31 January 2000

10. DEBTORS

	2000 £	1999 £
Trade debtors	113,542	163,189
Amounts owed by fellow subsidiary undertakings	1,030,203	881,716
Other debtors	61,178	56,510
Prepayments and accrued income	2,590	9,971
	<u>£1,207,513</u>	<u>£1,111,386</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Obligations under hire purchase contracts	4,311	6,276
Trade creditors	54,638	30,118
Amounts owed to parent company	756,273	756,273
Corporation tax	60,302	-
Other taxation and social security	4,691	14,590
Accruals and deferred income	11,205	29,622
	<u>£891,420</u>	<u>£836,879</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2000 £	1999 £
Obligations under hire purchase contracts:		
Due between one and two years	2,805	4,311
Due between two and five years	-	2,805
	<u>£2,805</u>	<u>£7,116</u>

13. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised		
200,000 ordinary shares of £1 each	<u>£200,000</u>	<u>£200,000</u>
Allotted and fully paid		
3 ordinary shares of £1 each	<u>£3</u>	<u>£3</u>

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company is J P Whelan (Investments) Limited, a company registered in England and Wales and incorporated in Great Britain. Copies of the group financial statements of J P Whelan (Investments) Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ. J P Whelan is the controlling party.