

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

Report and Financial Statements

31 January 2001

**Deloitte & Touche
South East Regional Office
Global House
High Street
Crawley
West Sussex
RH10 1DL**



REPORT AND FINANCIAL STATEMENTS - 2001

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 January 2001.

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 (2000 - £nil).

DIRECTORS

The directors who served during the year were as follows:

J P Whelan (died 31 December 2000)
Mrs S Whelan
D G Peet
J J Whelan

The directors note with regret the death of John Patrick Whelan on 31 December 2000, who was the founder of the company.

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, during the year and their interests in the shares of that company at 31 January 2001 (or earlier date of death) and 31 January 2000 were as follows:

	Ordinary shares of £1 each	
	31 January 2001	31 January 2000
J P Whelan (died 31 December 2000)	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

29 November 2001

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, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

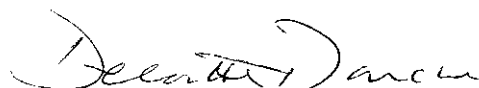
BASIS OF OPINION

We conducted our audit in accordance with United Kingdom 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 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE

Chartered Accountants and
Registered Auditors

29 November 2001

PROFIT AND LOSS ACCOUNT

Year ended 31 January 2001

	Note	2001	2000
		£	£
TURNOVER – continuing activities	1	381,826	449,100
Change in stocks		33,290	(51,519)
Raw materials and consumables		120,573	245,140
Other external charges		49,797	74,448
Staff costs	3	118,242	112,564
Depreciation		25,477	22,545
Profit on disposal of fixed assets (including exceptional profit on disposal of £nil (2000 - £315,787))		(25,621)	(315,787)
Other operating charges		99,175	100,460
		<u>420,933</u>	<u>187,851</u>
OPERATING (LOSS)/PROFIT - continuing activities	2	(39,107)	261,249
Other interest receivable and similar income	5	-	376
Interest payable and similar charges	6	(2,321)	(1,281)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(41,428)</u>	<u>260,344</u>
Tax charge on (loss)/profit on ordinary activities	7	-	(60,302)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(41,428)</u>	<u>200,042</u>
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		<u>756,479</u>	<u>556,437</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u>£715,051</u>	<u>£756,479</u>

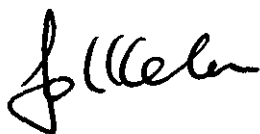
There are no recognised gains or losses and movements in shareholders' funds other than as stated in the profit and loss account above in both the current and prior years. Accordingly no statement of total recognised gains and losses or reconciliation of movements in shareholders' funds is prepared.

BALANCE SHEET
31 January 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	8		181,531		194,619
CURRENT ASSETS					
Stocks	9	49,460		82,750	
Debtors	10	1,223,049		1,207,513	
Cash at bank and in hand		129,350		165,825	
			<u>1,401,859</u>	<u>1,456,088</u>	
CREDITORS: amounts falling due within one year	11	868,336		891,420	
NET CURRENT ASSETS			<u>533,523</u>		<u>564,668</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			715,054		759,287
CREDITORS: amounts falling due after more than one year			-		(2,805)
TOTAL NET ASSETS			<u>£715,054</u>		<u>£756,482</u>
CAPITAL AND RESERVES					
Called up share capital	12		3		3
Profit and loss account			715,051		756,479
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>£715,054</u>		<u>£756,482</u>

These financial statements were approved by the Board of Directors on 29 November 2001.

Signed on behalf of the Board of Directors



J J WHELAN



MRS S WHELAN

NOTES TO THE ACCOUNTS

Year ended 31 January 2001

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 2001

2. OPERATING (LOSS)/PROFIT

	2001 £	2000 £
Operating (loss)/profit is arrived at after charging:		
Depreciation		
Owned assets	£20,710	£17,778
Assets held under hire purchase contracts	£4,767	£4,767
Auditors' remuneration		
Audit fees	£3,750	£3,750
Other services	£1,000	£1,000
Hire of plant	£3,939	£11,135
Contribution towards overheads of fellow subsidiary undertaking	£40,000	£40,000
and after crediting:		
Profit on sale of fixed assets		
(including exceptional profit on disposal of £nil		
(2000 - £315,787))	£25,621	£315,787

3. EMPLOYEES (INCLUDING DIRECTORS)

	2001 No.	2000 No.
Average number of persons employed		
Plant hire and sales	2	2
Management and administration	5	5
	7	7
	£	£
Staff costs during the year		
Wages and salaries	103,482	99,001
Social security costs	11,649	10,738
Other pension costs	3,111	2,825
	£118,242	£112,564

The pension cost of £3,111 (2000 - £2,825) charged in the profit and loss account represents contributions payable in the year. There were no contributions outstanding at the year end (2000 - £nil).

NOTES TO THE ACCOUNTS

Year ended 31 January 2001

4. DIRECTORS AND RELATED PARTY TRANSACTIONS

	2001 £	2000 £
Directors' emoluments		
Management remuneration	£57,631	£55,484
	<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	£1,804	£1,575
	<u> </u>	<u> </u>

At 31 January 2001 the company had advanced sums totalling £56,000 (2000 - £56,000) to Shannon Investments Limited. During the year the company received income of £5,205 (2000 - £1,664) in respect of plant hire transactions with Whelan & Grant (Contractors) Limited. All transactions were on an arms' length basis.

J P Whelan Esq (deceased) had 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

	2001 £	2000 £
Bank deposit interest	£-	£376
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Hire purchase contracts	723	1,281
Other interest payable	1,598	-
	<u> </u>	<u> </u>
	£2,321	£1,281
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS

Year ended 31 January 2001

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

	2001 £	2000 £
Taxation comprises:		
Corporation tax payable at nil% (2000 – 30%)	£-	£60,302

No tax charge arises for the current year as the company has made a loss.

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment and vehicles £	Total £
Cost			
At 1 February 2000	168,875	714,662	883,537
Additions	-	12,389	12,389
Disposals	-	(27,739)	(27,739)
At 31 January 2001	168,875	699,312	868,187
Depreciation			
At 1 February 2000	20,968	667,950	688,918
Charge for the year	1,675	23,802	25,477
Disposals	-	(27,739)	(27,739)
At 31 January 2001	22,643	664,013	686,656
Net book value			
At 31 January 2001	£146,232	£35,299	£181,531
At 31 January 2000	£147,907	£46,712	£194,619

Included in freehold property is freehold land valued at £85,113 (2000 - £85,113) which is not depreciated

The net book value of plant, equipment and vehicles includes £2,385 (2000 - £7,152) in respect of assets held under a hire purchase contract.

9. STOCKS

	2001 £	2000 £
Materials and plant held for resale	£49,460	£82,750

NOTES TO THE ACCOUNTS

Year ended 31 January 2001

10. DEBTORS

	2001 £	2000 £
Trade debtors	54,326	113,542
Amounts owed by fellow subsidiary undertakings	1,089,924	1,030,203
Other debtors	58,155	61,178
Prepayments and accrued income	20,644	2,590
	<u>£1,223,049</u>	<u>£1,207,513</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Obligations under hire purchase contracts	2,805	4,311
Trade creditors	24,351	54,638
Amounts owed to parent company	756,273	756,273
Corporation tax	60,302	60,302
Other taxation and social security	11,767	4,691
Accruals and deferred income	12,838	11,205
	<u>£868,336</u>	<u>£891,420</u>

12. CALLED UP SHARE CAPITAL

	2001 £	2000 £
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>

13. IMMEDIATE AND ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate and 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. The executors of the estate of J P Whelan Esq (deceased) are considered to be the controlling party.