

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

Report and Financial Statements

31 January 2004

**Deloitte & Touche LLP
Crawley**



**LD3
COMPANIES HOUSE**

LP70300Y

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30/11/04**

REPORT AND FINANCIAL STATEMENTS - 2004

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 January 2004.

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 (2003 - £nil).

DIRECTORS

The directors who served during the year were as follows:

S Whelan
D G Peet
J J Whelan
D A Crabb

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

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

	Ordinary shares of £1 each	
	1 February 2003	31 January 2004
S Whelan	301	903
J J Whelan	-	-

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors of the company and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

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



S WHELAN
Secretary

29 November 2004

DIRECTORS' STATEMENT OF RESPONSIBILITIES

United Kingdom 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;
- state whether applicable accounting standards have been followed; 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J P WHELAN & SONS (CONSTRUCTION) LIMITED

We have audited the financial statements of J P Whelan & Sons (Construction) Limited for the year ended 31 January 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit 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 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Crawley

30 November 2004

J P WHELAN & SONS (CONSTRUCTION) LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 January 2004

	Note	2004 £	2003 £
TURNOVER	1	442,547	520,702
Change in stocks		(8,102)	(14,622)
Raw materials and consumables		204,328	233,436
Other external charges		42,368	44,952
Staff costs	3	119,560	133,553
Depreciation		20,979	24,440
Other operating charges		<u>77,736</u>	<u>86,847</u>
		456,869	508,606
OPERATING (LOSS)/PROFIT	2	(14,322)	12,096
Profit on disposal of fixed assets		10,400	114,081
Other interest receivable and similar income	5	782	1,047
Interest payable and similar charges	6	<u>(1,132)</u>	<u>(807)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,272)	126,417
Tax credit/(charge) on (loss)/profit on ordinary activities	7	<u>2,665</u>	<u>(29,628)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,607)	96,789
Profit and loss account brought forward		<u>793,614</u>	<u>696,825</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u>£792,007</u>	<u>£793,614</u>

All activities are derived from continuing operations.

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.

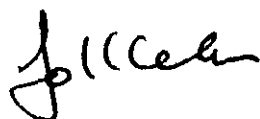
J P WHELAN & SONS (CONSTRUCTION) LIMITED

BALANCE SHEET 31 January 2004

	Note	£	2004 £	£	2003 £
FIXED ASSETS					
Tangible assets	8		164,674		185,213
CURRENT ASSETS					
Stocks	9	98,763		90,661	
Debtors	10	1,320,074		1,291,942	
Cash at bank and in hand		108,137		119,876	
			<u>1,526,974</u>	<u>1,502,479</u>	
CREDITORS: amounts falling due within one year	11	<u>892,950</u>		<u>878,996</u>	
NET CURRENT ASSETS			<u>634,024</u>		<u>623,483</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			798,698		808,696
CREDITORS: amounts falling due after more than one year	12		(2,632)		(6,359)
PROVISIONS FOR LIABILITIES AND CHARGES	14		(4,056)		(8,720)
TOTAL NET ASSETS			<u>£792,010</u>		<u>£793,617</u>
CAPITAL AND RESERVES					
Called up share capital	15		3		3
Profit and loss account			<u>792,007</u>		<u>793,614</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>£792,010</u>		<u>£793,617</u>

These financial statements were approved by the Board of Directors on 29 November 2004.

Signed on behalf of the Board of Directors



J J WHELAN



S WHELAN

NOTES TO THE ACCOUNTS
Year ended 31 January 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom 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 in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

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.

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

NOTES TO THE ACCOUNTS
Year ended 31 January 2004

2. OPERATING (LOSS)/PROFIT

	2004	2003
	£	£
Operating (loss)/profit is arrived at after charging:		
Depreciation		
Owned assets	£17,090	£20,551
Assets held under hire purchase contracts	£3,889	£3,889
Auditors' remuneration		
Audit fees	£4,450	£4,300
Other services	£1,000	£1,000
Hire of plant under operating leases	£9,741	£4,496
Contribution towards overheads of fellow subsidiary undertaking	£10,000	£20,000

3. EMPLOYEES (INCLUDING DIRECTORS)

	2004	2003
	No.	No.
Average number of persons employed		
Plant hire and sales	3	3
Management and administration	4	4
	7	7
	£	£
Staff costs during the year		
Wages and salaries	106,813	120,412
Social security costs	11,166	11,619
Other pension costs	1,581	1,522
	£119,560	£133,553

The pension cost of £1,581 (2003 – £1,522) charged in the profit and loss account represents contributions payable in the year. There were no contributions outstanding at the year end (2003 - £nil).

J P WHELAN & SONS (CONSTRUCTION) LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 January 2004

4. DIRECTORS AND RELATED PARTY TRANSACTIONS

	2004 £	2003 £
Directors' emoluments		
Management remuneration	<u>£49,031</u>	<u>£44,542</u>
	No.	No.
Number of directors who are members of a defined contribution pension scheme	<u>1</u>	<u>2</u>
	£	£
Contributions paid into a defined contribution pension scheme	<u>£1,581</u>	<u>£1,522</u>

At 31 January 2004 the company had advanced sums totalling £56,000 (2003 - £56,000) to Shannon Investments Limited. All transactions were on an arms' length basis.

Mrs S Whelan has a beneficial interest in the above company.

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

	2004 £	2003 £
Other interest receivable	<u>782</u>	<u>£1,047</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £	2003 £
Hire purchase contracts	573	807
Other interest payable	<u>559</u>	<u>-</u>
	<u>£1,132</u>	<u>£807</u>

NOTES TO THE ACCOUNTS

Year ended 31 January 2004

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

(a) Tax credit/(charge) on (loss)/ profit on ordinary activities

	2004	2003
	£	£
Current tax		
United Kingdom corporation tax at 30% (2003 – 30%) based on the loss for the year	(1,999)	(35,660)
Adjustments in respect of prior years	-	14,752
Total current tax	(1,999)	(20,908)
Deferred tax		
Timing differences, origination and reversal	4,664	510
Adjustments in respect of prior years	-	(9,230)
	<u>2,665</u>	<u>£(29,628)</u>

(b) Factors affecting current tax charge for the year

The tax charge assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK – 30% (2003 - 30%). The differences are explained below:

	2004	2003
	%	%
Standard tax rate for year as a percentage of loss	30	30
Effects of:		
Expenses not deductible for tax purposes	5	1
Capital allowances in excess of depreciation	(109)	-
Marginal relief	27	(3)
Prior period adjustments	-	(11)
Current tax rate for year as a percentage of loss	<u>(47)</u>	<u>17</u>

NOTES TO THE ACCOUNTS
Year ended 31 January 2004

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment and vehicles £	Total £
Cost			
At 1 February 2003	168,875	162,783	331,658
Additions	-	891	891
Disposals	-	(6,848)	(6,848)
At 31 January 2004	168,875	156,826	325,701
Depreciation			
At 1 February 2003	25,993	120,452	146,445
Charge for the year	1,675	19,304	20,979
Disposals	-	(6,397)	(6,397)
At 31 January 2004	27,668	133,359	161,027
Net book value			
At 31 January 2004	<u>£141,207</u>	<u>£23,467</u>	<u>£164,674</u>
 At 31 January 2003	 <u>£142,882</u>	 <u>£42,331</u>	 <u>£185,213</u>

Included in freehold property is freehold land valued at £85,113 (2003 - £85,113) which is not depreciated

The net book value of plant, equipment and vehicles includes £6,157 (2003 - £10,046) in respect of assets held under a hire purchase contract.

9. STOCKS

	2004 £	2003 £
Materials and plant held for resale	<u>£98,763</u>	<u>£90,661</u>

10. DEBTORS

	2004 £	2003 £
Trade debtors	100,796	129,743
Amounts owed by fellow group undertakings	1,152,556	1,101,855
Other debtors	56,689	57,074
Prepayments and accrued income	10,033	3,270
	<u>£1,320,074</u>	<u>£1,291,942</u>

NOTES TO THE ACCOUNTS

Year ended 31 January 2004

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Obligations under hire purchase contracts	3,727	3,478
Trade creditors	67,506	47,304
Amounts owed to fellow group undertakings	756,273	756,273
Corporation tax	37,619	27,448
Other taxation and social security	13,460	31,328
Accruals and deferred income	14,365	13,165
	<u>£892,950</u>	<u>£878,996</u>

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

	2004	2003
	£	£
Obligations under hire purchase contracts	<u>£2,632</u>	<u>£6,359</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2004	2003
	£	£
Due within one year	3,727	3,478
Due between one and two years	2,632	3,727
Due between two and five years	-	2,632
	<u>£6,359</u>	<u>£9,837</u>

Obligations under hire purchase contracts are secured by charges over the related assets.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 February 2004	8,720
Credit to the profit and loss account	(4,664)
At 31 January 2004	<u>£4,056</u>

The deferred tax balance is made up as follows:

	2004	2003
	£	£
Capital allowances in excess of depreciation	<u>£4,056</u>	<u>£8,720</u>

NOTES TO THE ACCOUNTS

Year ended 31 January 2004

15. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised		
200,000 ordinary shares of £1 each	£200,000	£200,000
	<u> </u>	<u> </u>
Called up, allotted and fully paid		
3 ordinary shares of £1 each	£3	£3
	<u> </u>	<u> </u>

16. 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. Mrs S Whelan is considered to be the controlling party.