

Company Registration No.925921

**J P Whelan & Sons
(Construction) Limited**

Report and Financial Statements

31 January 2005



J P Whelan & Sons (Construction) Limited

Report and financial statements - 2005

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J P Whelan & Sons (Construction) Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 31 January 2005.

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 satisfactory 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 position of the company at the year end is set out on page 5.

A dividend at the rate of £50,000 per share (2004 - £nil) was paid during the year.

Directors

The directors who served during the year were as follows:

S Whelan
D G Peet (resigned 31 December 2004)
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	
	31 January 2005	1 February 2004
S Whelan	903	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

30 November 2005

J P Whelan & Sons (Construction) Limited

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 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. 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 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Crawley

30 November 2005

J P Whelan & Sons (Construction) Limited

Profit and loss account Year ended 31 January 2005

	Note	2005 £	2004 £
Turnover	1	564,302	442,547
Change in stocks		10,027	(8,102)
Raw materials and consumables		251,298	204,328
Other external charges		45,113	42,368
Staff costs	3	122,819	119,560
Depreciation		17,090	20,979
Other operating charges		94,677	77,736
		<u>541,024</u>	<u>456,869</u>
Operating profit/(loss)	2	23,278	(14,322)
Profit on disposal of fixed assets		13,182	10,400
Other interest receivable and similar income	5	-	782
Interest payable and similar charges	6	(733)	(1,132)
Profit/(loss) on ordinary activities before taxation		<u>35,727</u>	<u>(4,272)</u>
Tax (charge)/credit on profit/(loss) on ordinary activities	7	(6,519)	2,665
Profit/(loss) for the financial year		<u>29,208</u>	<u>(1,607)</u>
Dividends	8	(150,000)	-
Retained loss for the year		<u>(120,792)</u>	<u>(1,607)</u>
Profit and loss account brought forward		792,007	793,614
Profit and loss account carried forward		<u><u>£671,215</u></u>	<u><u>£792,007</u></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.

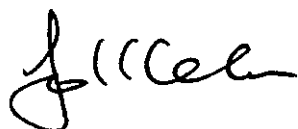
J P Whelan & Sons (Construction) Limited

Balance sheet 31 January 2005

	Note	£	2005 £	£	2004 £
Fixed assets					
Tangible assets	9		164,494		164,674
Current assets					
Stocks	10	88,736		98,763	
Debtors	11	1,125,349		1,320,074	
Cash at bank and in hand		148,342		108,137	
			<u>1,362,427</u>	<u>1,526,974</u>	
Creditors: amounts falling due within one year	12	<u>854,297</u>		<u>892,950</u>	
Net current assets			<u>508,130</u>		<u>634,024</u>
Total assets less current liabilities			672,624		798,698
Creditors: amounts falling due after more than one year	13		-		(2,632)
Provisions for liabilities and charges	15		<u>(1,406)</u>		<u>(4,056)</u>
Total net assets			<u>£671,218</u>		<u>£792,010</u>
Capital and reserves					
Called up share capital	16		3		3
Profit and loss account	17		<u>671,215</u>		<u>792,007</u>
Total equity shareholders' funds	17		<u>£671,218</u>		<u>£792,010</u>

These financial statements were approved by the Board of Directors on 30 November 2005.

Signed on behalf of the Board of Directors



J J Whelan



S Whelan

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

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.

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

2. Operating profit/(loss)

	2005 £	2004 £
Operating profit/(loss) is arrived at after charging:		
Depreciation		
Owned assets	£13,201	£17,090
Assets held under hire purchase contracts	£3,889	£3,889
Auditors' remuneration		
Audit fees	£4,850	£4,450
Other services	£1,000	£1,000
Hire of plant under operating leases	£9,080	£9,741
Contribution towards overheads of fellow subsidiary undertaking	£10,000	£10,000

3. Employees (including directors)

	2005 No.	2004 No.
Average number of persons employed		
Plant hire and sales	3	3
Management and administration	4	4
	<u>7</u>	<u>7</u>
	£	£
Staff costs during the year		
Wages and salaries	109,738	106,813
Social security costs	11,408	11,166
Other pension costs	1,673	1,581
	<u>£122,819</u>	<u>£119,560</u>

The pension cost of £1,673 (2004 – £1,581) charged in the profit and loss account represents contributions payable in the year. There were no contributions outstanding at the year end (2004 - £nil).

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

4. Directors and related party transactions

	2005 £	2004 £
Directors' emoluments		
Management remuneration	<u>£48,062</u>	<u>£49,031</u>
	No.	No.
Number of directors who are members of a defined contribution pension scheme	<u>1</u>	<u>1</u>
	£	£
Contributions paid into a defined contribution pension scheme	<u>£1,673</u>	<u>£1,581</u>

At 31 January 2005 the company had advanced sums totalling £56,000 (2004 - £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

	2005 £	2004 £
Other interest receivable	<u>£-</u>	<u>£782</u>

6. Interest payable and similar charges

	2005 £	2004 £
Hire purchase contracts	324	573
Other interest payable	<u>409</u>	<u>559</u>
	<u>£733</u>	<u>£1,132</u>

J P Whelan & Sons (Construction) Limited

Notes to the accounts

Year ended 31 January 2005

7. Tax (charge)/credit on profit/(loss) on ordinary activities

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

	2005 £	2004 £
Current tax		
United Kingdom corporation tax at 30% (2004 – 30%) based on the loss for the year	(9,169)	(1,999)
Total current tax	(9,169)	(1,999)
Deferred tax		
Timing differences, origination and reversal	2,650	4,664
	<u>(6,519)</u>	<u>2,665</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% (2004 - 30%). The differences are explained below:

	2005 %	2004 %
Standard tax rate for year as a percentage of loss	30	30
Effects of:		
Expenses not deductible for tax purposes	3	5
Capital allowances in excess of depreciation	7	(109)
Marginal relief	(14)	27
Current tax rate for year as a percentage of loss	<u>26</u>	<u>(47)</u>

8. Dividends

	2005 £	2004 £
Dividend paid of £50,000 (2004 - £nil) per share on 3 ordinary shares	<u>£150,000</u>	<u>£-</u>

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

9. Tangible fixed assets

	Freehold property £	Plant, equipment and vehicles £	Total £
Cost			
At 1 February 2004	168,875	156,826	325,701
Additions	-	16,910	16,910
Disposals	-	(46,891)	(46,891)
	<u>168,875</u>	<u>126,845</u>	<u>295,720</u>
At 31 January 2005			
Depreciation			
At 1 February 2004	27,668	133,359	161,027
Charge for the year	1,675	15,415	17,090
Disposals	-	(46,891)	(46,891)
	<u>29,343</u>	<u>101,883</u>	<u>131,226</u>
At 31 January 2005			
Net book value			
At 31 January 2005	<u>£139,532</u>	<u>£24,962</u>	<u>£164,494</u>
At 31 January 2004	<u>£141,207</u>	<u>£23,467</u>	<u>£164,674</u>

Included in freehold property is freehold land valued at £85,113 (2004 - £85,113) which is not depreciated

The net book value of plant, equipment and vehicles includes £2,268 (2004 - £6,157) in respect of assets held under a hire purchase contract.

10. Stocks

	2005 £	2004 £
Materials and plant held for resale	<u>£88,736</u>	<u>£98,763</u>

11. Debtors

	2005 £	2004 £
Trade debtors	113,590	100,796
Amounts owed by fellow group undertakings	946,130	1,152,556
Other debtors	56,160	56,689
Prepayments and accrued income	<u>9,469</u>	<u>10,033</u>
	<u>£1,125,349</u>	<u>£1,320,074</u>

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

12. Creditors: amounts falling due within one year

	2005	2004
	£	£
Obligations under hire purchase contracts	2,632	3,727
Trade creditors	19,908	67,506
Amounts owed to fellow group undertakings	756,273	756,273
Corporation tax	11,127	37,619
Other taxation and social security	26,987	13,460
Accruals and deferred income	37,370	14,365
	<u>£854,297</u>	<u>£892,950</u>

13. Creditors: amounts falling due after more than one year

	2005	2004
	£	£
Obligations under hire purchase contracts	<u>£-</u>	<u>£2,632</u>

14. Obligations under hire purchase contracts

	2005	2004
	£	£
Due within one year	2,632	3,727
Due between one and two years	-	2,632
	<u>£2,632</u>	<u>£6,359</u>

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

J P Whelan & Sons (Construction) Limited

Notes to the accounts Year ended 31 January 2005

15. Provisions for liabilities and charges

	Deferred taxation £
At 1 February 2004	4,056
Credit to the profit and loss account	(2,650)
At 31 January 2005	<u>£1,406</u>

The deferred tax balance is made up as follows:

	2005 £	2004 £
Capital allowances in excess of depreciation	<u>£1,406</u>	<u>£4,056</u>

16. Called up share capital

	2005 £	2004 £
Authorised		
200,000 ordinary shares of £1 each	<u>£200,000</u>	<u>£200,000</u>
Called up, allotted and fully paid		
3 ordinary shares of £1 each	<u>£3</u>	<u>£3</u>

17. Reconciliation of movements in equity shareholders' funds

	2005 £	2004 £
Profit/(loss) for the financial year	29,208	(1,607)
Dividends	(150,000)	-
Net reduction in equity shareholders' funds	(120,792)	(1,607)
Opening equity shareholders' funds	<u>792,010</u>	<u>793,617</u>
Closing equity shareholders' funds	<u>£671,218</u>	<u>£792,010</u>

18. 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.