

PATON PLANT LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

30 JUNE 1997



PATON PLANT LIMITED
REPORT OF THE DIRECTORS

The directors submit their report together with the accounts of the company for the year ended 30 June 1997.

RESULTS

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

FINAL DIVIDEND

The directors recommend a final dividend for the year of £ 46,000

DIRECTORS

The directors during the year were as follows :

Mr Patrick M Shepherd	(Chairman)
Mr G Finlayson	(Managing Director)

The director retiring by rotation is Mr Patrick M Shepherd and, being eligible, he offers himself for re-election.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company's principal activity is the marketing, distribution and servicing of Portakabin Limited and Portasilo Limited products for sale or hire.

The company continued to operate in a highly competitive market and achieved a satisfactory performance. It is confident that this position will be maintained in the current period.

AUDITORS

The company's auditors, Creers, have indicated their willingness to be re-appointed.

By order of the board

W. James

W James
Secretary
Fulford Moor House
Fulford Road
York YO1 4EY

13 October 1997

Registered office
Whistleberry Road
Hamilton ML3 0EJ

AUDITORS' REPORT TO THE DIRECTORS OF
PATON PLANT LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 8, together with the full statutory accounts of the company for the year ended 30 June 1997 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

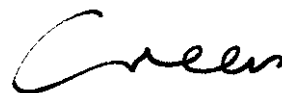
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985 and the abbreviated accounts on page 3 to 8 are properly prepared in accordance with that provision.



CREERS
Chartered Accountants
and
Registered Auditors

St Andrew's House
Spen Lane
YORK
YO1 2BS

13 October 1997

PATON PLANT LIMITED

STATEMENT OF ACCOUNTING POLICIES

TURNOVER

Turnover included in the accounts reflects the sales value of products delivered and includes hire income.

DEPRECIATION OF FIXED ASSETS

Depreciation is provided against the original cost of all fixed assets.

Provision is made by way of equal annual instalments over the estimated useful lives of the assets which are mainly as follows :-

Plant and equipment	4 - 10 years
Buildings	9 - 25 years

STOCKS

Stocks are valued at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred taxation is accounted for, using the liability method, in respect of tax reductions arising from the incidence of capital allowances and other timing differences, except where it can be demonstrated with reasonable probability that the tax reductions will continue for the foreseeable future.

PATON PLANT LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 30 June 1997

	Notes	1997	1996
		£'000	£'000
GROSS PROFIT		1,487	1,821
Indirect costs and interest	1	1,245	1,122
		<u> </u>	<u> </u>
PROFIT ON ORDINARY ACTIVITIES		242	699
Taxation	2	86	246
		<u> </u>	<u> </u>
PROFIT FOR THE FINANCIAL YEAR		156	453
Dividends	3	104	362
		<u> </u>	<u> </u>
RETAINED PROFIT		52	91
Balance Brought Forward		1,215	1,124
		<u> </u>	<u> </u>
BALANCE CARRIED FORWARD		1,267	1,215
		<u> </u>	<u> </u>

TOTAL RECOGNISED GAINS AND LOSSES

All recognised gains and losses are included in the profit and loss account for the year.

PATON PLANT LIMITED
ABBREVIATED BALANCE SHEET

as at 30 June 1997

	Notes	1997		1996	
		£'000	£'000	£'000	£'000
<u>EMPLOYMENT OF FINANCE</u>					
<u>FIXED ASSETS</u>					
Tangible assets	5		807		829
<u>CURRENT ASSETS</u>					
Stocks	6	302		202	
Debtors	7	815		770	
Cash at bank and in hand		677		852	
		1,794		1,824	
CREDITORS due within one year	8	1,208		1,314	
NET CURRENT ASSETS			586		510
TOTAL ASSETS LESS CURRENT LIABILITIES			1,393		1,339
<u>SOURCE OF FINANCE</u>					
<u>PROVISION FOR LIABILITIES</u>					
Deferred taxation	9		26		24
<u>CAPITAL AND RESERVES</u>					
Called up share capital	10	100		100	
Profit and loss account		1,267		1,215	
			1,367		1,315
			1,393		1,339

These accounts have been abbreviated in accordance with the special provisions contained in section 246A of Part VII of the Companies Act 1985 relating to medium sized companies.

Signed on behalf of the Board

Patrick M Shepherd)

Patrick M Shepherd)

G. Finlayson)

G. Finlayson)

13 October 1997

) Directors

PATON PLANT LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS

for the year ended 30 June 1997

	1997	1996
	£'000	£'000
1. INDIRECT COSTS AND INTEREST		
Employment costs :		
Salaries	596	526
Social security costs	58	52
Other pension costs	39	36
Depreciation	172	177
Auditors' remuneration	4	4
Other external and operating charges	443	388
Interest receivable	(67)	(61)
	<u>1,245</u>	<u>1,122</u>
2. TAXATION		
Corporation tax at 32.5% (1996 33%)	90	250
Deferred taxation	2	3
Adjustments relating to previous years	(6)	(7)
	<u>86</u>	<u>246</u>
3. DIVIDENDS		
Interim dividend paid	58	58
Proposed final dividend	46	304
	<u>104</u>	<u>362</u>

4. DIRECTORS AND EMPLOYEES

Only one director received remuneration during the year in respect of his duties as a director amounting to £ 1,250 (1996 - £ 1,250).

The directors of the company are employees of the ultimate parent company and receive their emoluments in that capacity.

The average number of employees engaged in the company's activities during the year was 41 (1996 - 38).

5. TANGIBLE FIXED ASSETS	Freehold land and buildings £'000	Plant and equipment £'000	1997 £'000	1996 £'000
COST				
At 30 June 1996	767	1,073	1,840	1,691
Additions	2	151	153	172
Disposals	-	(45)	(45)	(23)
	<u>769</u>	<u>1,179</u>	<u>1,948</u>	<u>1,840</u>
At 30 June 1997				
DEPRECIATION				
At 30 June 1996	317	694	1,011	853
On additions from group companies	-	-	-	1
Charge for year	56	116	172	177
Disposals	-	(42)	(42)	(20)
	<u>373</u>	<u>768</u>	<u>1,141</u>	<u>1,011</u>
At 30 June 1997				
NET BOOK VALUE As At 30 June 1997	<u>396</u>	<u>411</u>	<u>807</u>	<u>829</u>

CAPITAL EXPENDITURE

Capital expenditure contracted for but not provided at 30 June 1997 amounted to £ 106,000 (1996 - £ 3,000).

6. STOCKS	1997 £'000	1996 £'000
Raw materials and consumables	142	99
Finished goods and goods for resale	160	103
	<u>302</u>	<u>202</u>
7. DEBTORS		
Trade debtors	799	751
Other debtors and prepayments	16	19
	<u>815</u>	<u>770</u>

	1997	1996
	£'000	£'000
8. CREDITORS DUE WITHIN ONE YEAR		
Trade creditors	255	120
Amounts owed to group companies	363	322
Current corporation tax	90	250
Other taxes and social security	23	23
Accruals and deferred income	431	295
Proposed final dividend	46	304
	<u>1,208</u>	<u>1,314</u>

9. DEFERRED TAXATION

Taxation deferred in respect of capital allowances (fully provided for)	26	24
	<u>26</u>	<u>24</u>

10. CALLED UP SHARE CAPITAL

The authorised share capital of the company is £ 100,000 divided into ordinary shares of £ 1 each, all of which are allotted and fully paid.

11. PENSIONS

The company's employees (where eligible) are members of a group defined benefit pension scheme, which is funded externally and administered by trustees. Pension costs and contribution levels are assessed in the light of recommendations by actuaries William M Mercer Limited, based on pension costs across the Group as a whole. Particulars of the actuarial valuation of the group scheme are contained in the financial statements of Shepherd Building Group Limited.

12. CONTINGENT LIABILITY

The company has entered into joint guarantees to secure bank borrowings by other group companies.

13 PARENT COMPANY AND DIRECTORS' INTERESTS

Group accounts are prepared by Shepherd Building Group Limited, the ultimate parent company. Transactions with related group entities are not disclosed in accordance with paragraph 3 of FRS 8. Only Mr Patrick M Shepherd is a director of that company and his interests in its shares are shown in the parent company's director's report. No directors have any other interests in shares in the company or any other body corporate in the group.