

Cookson Plant Hire Limited
Unaudited financial statements
For the period ended 30 September 2005

Grant Thornton 



Company No. 3868291

Company information

Company registration number	3868291
Registered office	Waverley House Edgerton Road Huddersfield HD3 3AR
Directors	J R Cookson
Secretary	M H R I Wilson
Bankers	Yorkshire Bank plc 4 Victoria Place Manor Road Leeds West Yorkshire LS11 5AE

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Report of the directors

The directors present their report together with the financial statements for the period ended 30 September 2005.

Principal activities and business review

The company is principally engaged in the provision of plant hire services within the construction industry.

Results and dividends

There was a profit for the period after taxation amounting to £32,541 (2004: £113,655).

The directors have paid and proposed dividends amounting to £74,250 (2004: £Nil), leaving a retained loss of £41,709 (2004: profit of £113,655).

Directors

The membership of the Board during the period is set out below. Other than stated below, all served on the Board throughout the period.

The interests of the directors in the shares of the company as at 1 October 2004 and 30 September 2005 were as follows:

	Ordinary Shares	
	30 September 2005	1 January 2005
J R Cookson	<u>99</u>	<u>99</u>

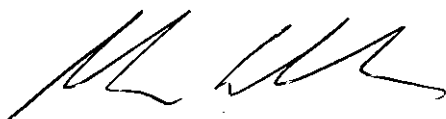
Directors' responsibilities for the financial statements

Company law in the United Kingdom 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 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
- making judgements and estimates that are reasonable and prudent
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the presentation and detection of fraud and other irregularities.

BY ORDER OF THE BOARD



M H R I Wilson
Secretary
26 June 2006

Chartered accountants' report to the board of directors on the unaudited financial statements of Cookson Plant Hire Limited

In accordance with the engagement letter dated 12 April 2005 and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the period ended 30 September 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LEEDS

30 June 2006

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

Turnover is the total amount receivable by the company for the hire of goods and services, excluding VAT and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, by equal annual instalments over their expected useful lives.

The rates generally applicable are:

Plant and machinery	25% straight line
Motor vehicles	25% straight line

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax in the future.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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

Principal accounting policies

Pension costs

The company operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cashflow statement in the financial statements on the grounds that the company is small.

Profit and loss account

		9 months ended 30 Sept 2005	Year ended 31 Dec 2004
	Note	£	£
Turnover		370,340	303,757
Cost of sales		(121,545)	(79,237)
Gross profit		248,795	224,520
Administrative expenses		170,983	101,855
Operating profit		77,812	122,665
Interest and similar charges	2	(13,337)	(9,010)
Profit on ordinary activities before taxation	1	64,475	113,655
Tax on profit on ordinary activities	4	31,934	-
Profit for the financial period		32,541	113,655
Dividends	5	(74,250)	-
Retained loss for the period transferred from reserves	14	(41,709)	113,655

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

Balance sheet

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	6	<u>528,898</u>	<u>512,538</u>
Current assets			
Debtors	7	<u>409,182</u>	171,845
Cash at bank and in hand		<u>400</u>	-
		<u>409,582</u>	<u>171,845</u>
Creditors: amounts falling due within one year	8	<u>538,980</u>	<u>(237,529)</u>
Net current liabilities		<u>(129,398)</u>	<u>(65,684)</u>
Total assets less current liabilities		<u>399,500</u>	<u>446,854</u>
Creditors: amounts falling due after more than one year	9	<u>(120,364)</u>	<u>(140,900)</u>
Provisions for liabilities and charges	11	<u>(26,501)</u>	<u>(5,210)</u>
		<u>252,635</u>	<u>300,744</u>
Capital and reserves			
Called-up equity share capital	13	<u>99</u>	100
Capital redemption reserve	14	<u>1</u>	-
Profit and loss account	14	<u>252,535</u>	300,644
Shareholders' funds	15	<u>252,635</u>	<u>300,744</u>

For the year ended 30 September 2005, the company was exempt from audit of its financial statements under section 249A(1) of the Companies Act 1985. No notice has been deposited by members under section 249B(2) of the Companies Act 1985 calling for an audit in relation to these financial statements.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing financial statements 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 its profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on *26th June 2006*


J R Cookson
Director

The accompanying accounting policies and notes form part of these financial statements.

Notes to the unaudited financial statements

1 Turnover and profit on ordinary activities before taxation

The turnover and profit before taxation are attributable to the one principal activity of the company.

The profit on ordinary activities is stated after:

	2005 £	2004 £
Depreciation:		
Tangible fixed assets owned	39,831	23,213
Tangible fixed assets held under finance leases and hire purchase agreements	52,421	57,874
Profit on disposal of fixed assets	7,433	-
	<u>7,433</u>	<u>-</u>

2 Interest and similar charges

	2005 £	2004 £
On bank loans and overdrafts	2,887	426
Finance charges in respect of finance leases	10,450	8,584
	<u>13,337</u>	<u>9,010</u>

3 Directors and employees

The average number of employees during the period was 3 (2004: 2).

The aggregate payroll costs were as follows:

	2005 £	2004 £
Wages and salaries	52,451	3,514
Social security costs	5,437	349
	<u>57,888</u>	<u>3,863</u>

The directors received no emoluments in the year (2004: Nil).

4 Tax on profit on ordinary activities

(a) Analysis of charges in the period:

	2005 £	2004 £
Current tax:		
UK Corporation tax at 30% (2004 - 30%)	10,643	-
Deferred tax		
Origination and reversal of timing difference	21,291	-
	<u>31,934</u>	<u>-</u>

(b) Factors affecting current tax charge

	2005 £	2004 £
Profit on ordinary activities before tax	64,475	113,655
Profit on ordinary activities multiplied by small companies rate of corporation tax in the UK of 30% (2004: 30%)	19,342	34,096
Effect of:		
Capital allowances for the year in excess of depreciation	(1,779)	(34,855)
Unutilised trading losses carried forward	(767)	759
Adjustments in respect of lower rate of corporation tax applying	(6,153)	-
Total current tax (note 4(a))	<u>10,643</u>	<u>-</u>

5 Dividends

	2005 £	2004 £
Interim dividends paid of £185.62 per share	18,562	-
Proposed final dividend of £556.88 per share	55,688	-
	<u>74,250</u>	<u>-</u>

6 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
At 1 January 2005	657,463	28,300	685,763
Additions	119,728	-	119,728
Disposals	(35,800)	-	(35,800)
At 30 September 2005	<u>741,391</u>	<u>28,300</u>	<u>769,691</u>
Depreciation			
At 1 January 2005	158,494	14,730	173,224
Charge in the period	84,982	7,270	92,252
Disposals	(24,683)	-	(24,683)
At 30 September 2005	<u>218,793</u>	<u>22,000</u>	<u>240,793</u>
Net book amount at 30 September 2005	<u>522,598</u>	<u>6,300</u>	<u>528,898</u>
Net book amount at 31 December 2004	<u>498,969</u>	<u>13,570</u>	<u>512,538</u>

Included with the net book value of £528,898 is £335,525 (2004: £387,946) relating to assets held under finance leases and hire purchase agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £52,421 (2004: £57,874).

7 Debtors

	2005 £	2004 £
Amounts due from related parties	400,069	151,348
Other debtors	9,113	20,497
	<u>409,182</u>	<u>171,845</u>

8 Creditors: amounts falling due within one year

	2005	2004
	£	£
Bank overdraft	187,023	25,875
Trade creditors	38,057	74,106
Corporation tax	10,643	-
Director's loan	-	100
Amounts due under finance leases	110,480	113,448
Accruals and deferred income	137,089	24,000
Dividends payable	55,688	-
	<u>538,980</u>	<u>237,529</u>

The bank overdraft is secured by a cross debenture and cross guarantee between the company, its parent undertaking, J R Cookson (Contracting) Limited and another related undertaking, Lanson Developments Limited, creating a fixed and floating charge over the assets of all three companies.

9 Creditors: amounts falling due after more than one year

	2005	2004
	£	£
Amounts due under finance leases	<u>120,364</u>	<u>140,900</u>

10 Borrowings

Borrowings are repayable as follows:

	2005	2004
	£	£
Within one year:		
Finance leases	110,480	113,448
After one and within two years:		
Finance leases	98,352	91,507
After two and within five years:		
Finance leases	22,012	49,393
	<u>230,844</u>	<u>254,348</u>

11 Provisions for liabilities and charges

The movement in the deferred taxation provision during the period was:

	Total £
Provision brought forward	5,210
Profit and loss account movement in the period	21,291
Provision carried forward	<u>26,501</u>

12 Deferred taxation

Deferred taxation provided for in the financial statements is set out below:

	2005 £	2004 £
Accelerated capital allowances	<u>26,501</u>	<u>5,210</u>

13 Share capital

	2005 £	2004 £
Authorised 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid: 99 ordinary shares of £1 each	<u>99</u>	<u>100</u>

On 5 April 2005 the company acquired one ordinary share of £1 for a consideration of £6,400. The share has been credited to the capital redemption reserve.

14 Reserves

	Capital redemption reserve £	Profit and loss account £
Balance brought forward	-	300,644
Retained loss for the financial period	-	(41,709)
Redemption of shares	1	(6,400)
Balance carried forward	<u>1</u>	<u>252,535</u>

15 Reconciliation of movements in shareholders' funds

	2005	2004
	£	£
Retained loss for the financial period	(41,709)	113,655
Redemption of shares	(6,400)	-
Net increase in shareholders' funds	(48,109)	113,655
Shareholders' funds at 1 January 2005	300,744	187,089
Shareholders' funds at 30 September 2005	<u>252,635</u>	<u>300,744</u>

16 Capital commitments

The company had no capital commitments at 30 September 2005 or 31 December 2004.

17 Contingent liabilities

There were no contingent liabilities at 30 September 2005 or 31 December 2004.

18 Related party transactions

Mr J R Cookson is a director and has an interest in the share capital of J R Cookson (Contracting) Limited. All of the company's sales are made to J R Cookson (Contracting) Limited.

The net amount due from J R Cookson (Contracting) Limited at 30 September 2005 was £400,069 (2004: £151,348).

19 Controlling related party

Mr J R Cookson is the company's controlling related party by virtue of his shareholding.