

# **Johnston Sweepers Ltd.**

## **Report and Accounts**

for the year ended

**31<sup>st</sup> December 2003**



Registered in England 199841

# **JOHNSTON SWEEPERS LIMITED**

## **REPORT OF THE DIRECTORS**

### **For the year ended 31st December 2003**

The directors have pleasure in submitting their Report and Accounts for the year ended 31st December 2003.

#### **1. Principal Activities and Review of Operations**

The principal activity of Johnston Sweepers Limited continues to be the manufacture of road sweepers and other municipal equipment through its operations in the UK and a branch in Denmark.

The results for the year are set out on page 5. A full review of the company's trading operations is included in the accounts of the ultimate parent company Johnston Group PLC.

#### **2. Dividends**

An interim dividend of £600,000 (2002, £650,000) has been paid in respect of the year ended 31st December 2003. No further dividend is proposed in respect of 2003.

#### **3. Directors and Directors' Interests**

The names of the directors holding office at the year end and their beneficial interests in the ordinary share capital of the ultimate parent company, Johnston Group PLC, are as follows:-

	31st December 2003		1st January 2003	
	Ord. Shares 10p	Options Ord. Shares 10p	Ord. Shares 10p	Options Ord. Shares 10p
M.R.H. Jordan	3,276	30,000	3,276	30,000
J.M.S. Johnston	881,651	-	881,651	-
P.G. Rhodes	-	-	-	-
C. Offley	930	-	930	-
D.W. Wright	-	-	-	-
G. Whittall	903	-	903	-
S.R.L. Douglas	-	-	-	-
D.F. Bishop	-	-	-	-

#### **4. Research and Development**

Research and development costs incurred by the company in the year amounted to £530,078 (2002, £573,902).

5. **Employment Policies**

The company is committed to policies of non-discrimination to promote equal opportunities in employment regardless of gender, religion, race or ethnic origin. A brochure and twice yearly newsletter covering the Johnston Group and its subsidiary companies are distributed to all employees.

The employment of those who become disabled is continued wherever possible and opportunities are provided for the recruitment, training and career development of disabled people.

6. **Health and Safety at Work**

The company has a strong commitment to the safety and health of employees. The company has its own safety officer and there is a full-time group safety manager who advises on accident prevention and safety in the company's factories. The directors are kept regularly informed on all aspects of safety.

7. **Creditor Payment Policy**

The company does not follow any code or standard on payment practice, as it is the company's policy to settle creditors promptly on mutually agreed terms. These terms will vary from supplier to supplier and suppliers will be aware of the terms of payment. At the year-end there were 64 days purchases in creditors.

8. **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



J.E.M. Johnston  
Secretary

Johnston House  
Hatchlands Road  
Redhill  
Surrey RH1 1BG

Date: 23<sup>rd</sup> April 2004

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, 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, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **REPORT OF THE INDEPENDENT AUDITORS**

To the members of JOHNSTON SWEEPERS LIMITED.

We have audited the financial statements on pages 5 to 17 .

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 auditor's 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, this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you 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.

### **Basis of audit opinion**

We conducted our audit in accordance with 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 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

*23rd April 2004*

1 Forest Gate  
Brighton Road  
Crawley  
West Sussex  
RH11 9PT

**PROFIT AND LOSS ACCOUNT for the year ended 31st December 2003**

	Notes	£	2003 £	£	2002 £
Turnover	1		54,540,095		55,025,770
Operating costs less other income	2	52,453,566		51,633,254	
Waiver of amount due from overseas subsidiary		-		1,780,098	
Total net operating cost			52,453,566		53,413,352
<b>Operating profit</b>			<b>2,086,529</b>		<b>1,612,418</b>
Net interest payable and similar charges	3		94,363		98,097
<b>Profit on ordinary activities before taxation</b>			<b>1,992,166</b>		<b>1,514,321</b>
Tax on profit on ordinary activities	4		644,948		1,036,528
<b>Profit on ordinary activities after taxation</b>			<b>1,347,218</b>		<b>477,793</b>
<b>Dividends paid</b>			<b>600,000</b>		<b>650,000</b>
<b>Retained profit / (loss) for the year</b>	12		<b>747,218</b>		<b>(172,207)</b>

A statement of movements on reserves is given in note 12.

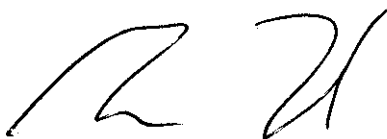
The turnover and operating profit are derived from continuing operations.

**BALANCE SHEET at 31st December 2003**

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	5	9,792,365	8,481,524
Investments	6	21,151,303	20,832,080
		<b>30,943,668</b>	<b>29,313,604</b>
<b>Current assets</b>			
Stocks	7	10,385,877	9,740,415
Debtors	8	12,155,431	13,312,627
Cash at bank and in hand		345,445	1,108,914
		<b>22,886,753</b>	<b>24,161,956</b>
<b>Creditors due within one year</b>	9	<b>14,188,254</b>	<b>13,016,348</b>
<b>Net current assets</b>		<b>8,698,499</b>	<b>11,145,608</b>
<b>Total assets less current liabilities</b>		<b>39,642,167</b>	<b>40,459,212</b>
<b>Creditors due after one year</b>	10	<b>28,412,114</b>	<b>29,797,067</b>
<b>Provisions for liabilities and charges: deferred taxation</b>	4	<b>265,707</b>	<b>212,169</b>
<b>Net assets</b>		<b>10,964,346</b>	<b>10,449,976</b>
<b>Capital and reserves</b>			
Called up share capital	11	8,000	8,000
Profit and loss account	12	10,739,120	10,256,634
Revaluation reserve	12	217,226	185,342
<b>Equity shareholders' funds</b>		<b>10,964,346</b>	<b>10,449,976</b>

The accounts were approved by the Board on 23rd April 2004 and were signed on its behalf by:

MRH Jordan Director



	2003 £	2002 £
<b><u>Statement of total recognised gains and losses</u></b>		
Profit after taxation	1,347,218	477,793
Translation adjustment	(232,848)	(118,673)
<b>Total recognised gains and losses for the year</b>	<b>1,114,370</b>	<b>359,120</b>
<b><u>Reconciliation of movements in shareholders' funds</u></b>		
<b>Total recognised gains and losses for the year</b>	<b>1,114,370</b>	<b>359,120</b>
Dividends paid on equity shares	(600,000)	(650,000)
<b>Net increase / (decrease) in shareholders' funds</b>	<b>514,370</b>	<b>(290,880)</b>
<b>Shareholders' funds at beginning of year</b>	<b>10,449,976</b>	<b>10,740,856</b>
<b>Shareholders' funds at end of year</b>	<b>10,964,346</b>	<b>10,449,976</b>
<b><u>Note of historical cost profits and losses</u></b>		
Profit on ordinary activities before taxation	1,992,166	1,514,321
Adjustment of depreciation to historical cost basis	(31,884)	(31,884)
<b>Historical cost profit on ordinary activities before taxation</b>	<b>1,960,282</b>	<b>1,482,437</b>
<b>Historical cost retained profit</b>	<b>715,334</b>	<b>(204,091)</b>



## **PRINCIPAL ACCOUNTING POLICIES**

A summary of principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

### **Basis of Accounting**

The accounts have been prepared under the historical cost convention modified to include the revaluation of freehold and leasehold properties and in accordance with applicable Accounting Standards. On implementation of FRS15, the company has decided not to adopt a policy of revaluing property assets. In accordance with transitional rules contained within the standard, the book amounts of properties that reflect previous valuations have been retained.

The company is exempt from the requirement of FRS 1 (revised) to include a cash flow statement as part of its accounts, as the company is a wholly owned subsidiary of Johnston Group PLC which publishes consolidated financial statements that include the company and which contain a group cash flow statement.

### **Subsidiary Undertakings**

The company's interest in subsidiary undertakings is shown at original sterling cost less amounts written off, with dividends received and receivable being recorded in the profit and loss account. As permitted by S228 of the Companies Act 1985, consolidated accounts have not been prepared since the company is a wholly owned subsidiary undertaking of another company registered in England and Wales which prepares consolidated accounts.

### **Turnover**

Turnover is defined as the value of goods and services supplied, including machine rentals net of trade discounts, VAT and other sales related taxes.

### **Depreciation**

Depreciation is provided on a straight line basis at rates calculated to write off the cost or valuation of fixed assets over their estimated useful lives.

The rates generally in use are:

Freehold	- Land	not depreciated
	- Buildings	50 years
Long Leasehold		50 years
Plant and equipment	- Fixed	8 years
	- Mobile	4 years
Manufacturing know-how		5 years

### **Intangible Fixed Assets**

Intangible fixed assets are valued at cost less accumulated amortisation.

## **PRINCIPAL ACCOUNTING POLICIES (Continued)**

### **Currency Translation**

With the exception of the company's investment in the share capital of subsidiary undertakings which is included at original sterling cost less amounts written off, all assets and liabilities denominated in foreign currencies are included in the balance sheet using the closing rate method. Foreign currency transactions of the company have been converted to sterling at rates of exchange ruling on the date of transaction.

Translation differences arising from the company's investment in overseas subsidiaries denominated in foreign currencies are dealt with in reserves. All other translation adjustments arising are dealt with in the profit and loss account.

### **Research and Development**

All research and development expenditure is written off as incurred, as is expenditure in respect of patents and trademarks.

### **Stocks**

Stocks are valued at the lower of net realisable value and cost, which includes production overheads.

### **Taxation**

Current taxation, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using tax rates and laws that have been enacted by the balance sheet date. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for tax purposes and accounting purposes which have arisen, but not reversed, by the balance sheet date, except as otherwise required by FRS 19 Deferred Tax.

### **Leases**

Rentals under operating leases are charged on a straight line basis over the lease term. Assets held under finance leases are initially reported at the fair value of the asset, with an equivalent liability categorised as appropriate under creditors due within or after one year. The asset is depreciated over the shorter of the lease term and its estimated useful life. Finance charges are allocated to accounting periods over the term of the lease to produce a constant rate of return on the outstanding balance.

### **Pensions**

The company participates in the Johnston Management Holdings Limited Pension and Life Assurance Scheme. The scheme, which is a defined benefit scheme, is funded with the assets being held by the Trustees completely separate from those of Johnston Group PLC. In the accounts of Johnston Group PLC, the Group's contributions are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Group. It is impractical to apportion this spread of costs between all the companies participating in the scheme, so contributions are charged on a payable basis in the company's accounts. Further details of the scheme are given in the accounts of the ultimate parent company.

### **Government Grants**

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to operating profit over the estimated useful economic lives of the assets to which they relate.

## NOTES TO THE ACCOUNTS

## 1. Geographical analysis of turnover by destination

	2003 £	2002 £
Europe, & Middle East	49,043,583	48,525,442
Asia, Africa, Australia & New Zealand	2,704,048	2,764,234
Americas	2,792,464	3,736,094
	<b>54,540,095</b>	<b>55,025,770</b>

## 2. Operating costs less other income

	2003 £	2002 £
Change in stocks of finished goods and work-in-progress	(769,577)	(1,016,381)
Other operating income	(331,323)	(245,679)
Raw materials and consumables	31,002,915	31,276,472
Other external charges	6,593,549	6,236,596
Staff costs (see below)	14,889,071	14,513,188
Depreciation of owned assets	1,070,590	899,886
Profit on disposal of fixed assets	(1,659)	(30,828)
	<b>52,453,566</b>	<b>51,633,254</b>

## Staff costs (including directors)

Wages and salaries	13,046,552	13,116,191
Social security costs	968,938	795,852
Other pension costs	873,581	601,145

	<b>14,889,071</b>	<b>14,513,188</b>
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## Operating Profit is after charging / (crediting) :

Plant and equipment - operating lease rentals	401,965	353,136
Other operating lease rentals	302,010	296,444
Translation adjustment	(305,089)	(213,143)
Research and development costs	530,078	573,902
Audit fees - Audit	34,215	27,693
Audit fees - Non Audit	1,301	25,712

## 3. Net interest payable and similar charges

	2003 £	2002 £
Sundry interest received	(9,762)	(2,509)
Sundry interest / charges paid	1,648	3,305
Interest on secured loan	102,477	97,301
	<b>94,363</b>	<b>98,097</b>

## NOTES TO THE ACCOUNTS (continued)

4. Taxation	2003 £	2002 £
Corporation tax charge @ 30% (2002, 30%)	317,855	513,425
Group relief @ 30% (2002, 30%)	273,555	510,750
Total current tax charge	591,410	1,024,175
Transfer to deferred taxation account	53,538	12,353
Total tax on profit on ordinary activities	644,948	1,036,528

The differences between the total current tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows:

	2003 £	2002 £
Profit on ordinary activities before tax	1,992,166	1,514,321
Current tax at 30% (2002, 30%)	597,650	454,296
Effects of:		
Expenses not deductible for tax purposes	47,298	582,232
Movements in timing differences	(53,538)	(12,353)
Total current tax charge	591,410	1,024,175

**Provisions for liabilities and charges : Deferred taxation due to the difference between capital allowances and book depreciation and other timing differences**

Balance at 1st January	212,169	199,816
Transfer from profit and loss account	53,538	12,353
Balance at 31st December	265,707	212,169

Deferred taxation has been calculated using a corporation tax rate of 30%. There is no unprovided deferred taxation.

## NOTES TO THE ACCOUNTS (continued)

5. Tangible fixed assets	Land and buildings £	Plant and equipment £	Assets under construction £	Total £
Cost or valuation 1st January 2003	6,134,897	8,673,108	209,500	15,017,505
Additions	204,741	1,233,890	898,596	2,337,227
Translation adjustment	35,928	42,774	-	78,702
Disposals	-	(101,511)	-	(101,511)
Reclassification	80,205	129,295	(209,500)	-
At 31st December 2003	6,455,771	9,977,556	898,596	17,331,923
Comprising :				
At professional valuation	6,005,452	-	-	6,005,452
At cost	450,319	9,977,556	898,596	11,326,471
Depreciation 1st January 2003	420,487	6,115,494	-	6,535,981
Charge for year	125,618	944,972	-	1,070,590
Translation adjustment	3,860	23,408	-	27,268
Disposals	-	(94,281)	-	(94,281)
At 31st December 2003	549,965	6,989,593	-	7,539,558
Net book value 31st December 2003	5,905,806	2,987,963	898,596	9,792,365
Net book value 31st December 2002	5,714,410	2,557,614	209,500	8,481,524

Land and buildings includes £1,444,721 of assets that are not depreciated.

## NOTES TO THE ACCOUNTS (continued)

## 5. Tangible fixed assets (continued)

Land and buildings comprise :	Freehold Buildings £	Long leasehold £	Short leasehold £	Total £
Cost or valuation 1st January 2003	5,274,897	860,000	0	6,134,897
Additions	128,729	50,126	25,886	204,741
Reclassification	23,783	44,330	12,092	80,205
Translation adjustment	35,928	0	0	35,928
At 31st December 2003	5,463,337	954,456	37,978	6,455,771
Comprising				
At professional valuation	5,145,452	860,000	0	6,005,452
At cost	317,885	94,456	37,978	450,319
Depreciation 1st January 2003	322,227	98,260	0	420,487
Charge for year	84,582	37,200	3,836	125,618
Translation adjustment	3,860	-	-	3,860
At 31st December 2003	410,669	135,460	3,836	549,965
Net book value 31st December 2003	5,052,668	818,996	34,142	5,905,806
Net book value 31st December 2002	4,952,670	761,740	0	5,714,410

The company's freehold and leasehold interests in land and buildings in the United Kingdom were valued by Messrs. Gerald Eve, Chartered Surveyors as at 31st December 1998. The valuations were prepared in accordance with the Appraisal and Valuation Manual published by the Royal Institute of Chartered Surveyors (the Red Book) on the basis of existing use. The valuations were incorporated into the balance sheet at 31 December 1998, following the introduction of FRS 15, the valuations will be retained at their current carrying amounts.

Comparable historical cost amounts for the company's land and buildings included in tangible fixed assets were :

At 31st December 2003	Freehold Buildings £	Long Leasehold £	Short Leasehold £	Total £
Original cost	5,631,740	1,133,347	161,328	6,926,415
Less aggregate depreciation	1,146,403	541,284	38,609	1,726,296
Net book value	4,485,337	592,063	122,719	5,200,119
At 31st December 2002	Freehold £	Long Leasehold £	Short Leasehold £	Total £
Original cost	5,443,300	1,038,891	123,350	6,605,541
Less aggregate depreciation	1,057,961	504,084	34,773	1,596,818
Net book value	4,385,339	534,807	88,577	5,008,723

## NOTES TO THE ACCOUNTS (continued)

6. Fixed asset investments	Shares in subsidiary undertakings £	Loans to subsidiary undertakings £	Total £
Cost at 1st January 2003	9,267,272	12,328,650	21,595,922
Translation adjustment	-	(1,241,060)	(1,241,060)
Additions	1,468,571	-	1,468,571
At 31st December 2003	10,735,843	11,087,590	21,823,433
Amounts written off 1st January 2003	81,195	682,647	763,842
Reclassification from current account provision	-	(91,712)	(91,712)
At 31st December 2003	81,195	590,935	672,130
Net book value 31st December 2003	10,654,648	10,496,655	21,151,303
Net book value 31st December 2002	9,186,077	11,646,003	20,832,080

The company has an interest in the unlisted subsidiary undertakings below

Name and country of incorporation if not Great Britain	Proportion of nominal value of issued shares held by the company %	Activity
Johnston Sweeper Company (USA)	100	
MacDonald Johnston Engineering Co. Pty Limited (Australia)	100	Manufacture of road cleaners and other municipal equipment
Johnston GmbH (Germany)	100	
Johnston Madvac Inc. (Canada)	100	
Johnston Sweepers Limited	100	Dormant

7. Stocks	2003 £	2002 £
Raw materials and consumables	1,417,563	1,589,713
Manufacturing work-in-progress	4,252,063	4,500,878
Finished goods and goods for resale	4,716,251	3,649,824
	10,385,877	9,740,415

8. Debtors	2003 £	2002 £
Trade debtors	9,421,373	10,871,105
Amounts owed by group undertakings	1,978,529	2,083,602
Other debtors	420,705	130,844
Prepayments and accrued income	334,824	227,076
	12,155,431	13,312,627

## NOTES TO THE ACCOUNTS (continued)

9. Creditors due within one year	2003 £	2002 £
Secured loans	33,280	28,656
Bank loans and overdrafts	1,611,256	1,407,557
Trade creditors	6,561,660	6,057,111
Amounts owed to group undertakings	1,186,301	956,668
Other creditors	1,926,057	1,741,416
Taxation and social security	371,373	275,681
Accruals and deferred income	2,498,327	2,549,259
	14,188,254	13,016,348

10. Creditors due after one year	2003 £	2002 £
Secured loans repayable between one and two years	35,843	30,862
Secured loans repayable between two and five years	119,354	107,591
Secured loans repayable in over five years	73,727	104,699
Amounts owed to group undertakings	28,183,190	29,553,915
	28,412,114	29,797,067

The 'secured' loans are secured on the company's freehold property in Denmark. The interest rate on loans repayable over five years is between 7.3% and 7.6% per annum.

11. Share capital	2003 £	2002 £
Authorised 100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid 8,000 ordinary shares of £1 each	8,000	8,000

12. Reserves	Revaluation Reserve £	Profit and Loss Account £
At 1st January 2003	185,342	10,256,634
Retained profit for the year	-	747,218
Amortisation of Revaluation	31,884	(31,884)
Translation adjustment on overseas assets	-	(232,848)
At 31st December 2003	217,226	10,739,120

## 13. Pensions

The company participates in the Johnston Management Holdings Limited Pension and Life Assurance Scheme, a defined benefit scheme. Under FRS 17 Retirement Benefits the company will account for the scheme as a defined contribution scheme since it is unable to identify its share of the underlying assets and liabilities.

The deficit in respect of this scheme has been calculated as £10,281,000 (net of deferred tax asset) as at 31st December 2003 (2002, £10,020,000). Further disclosures are given in the accounts of the ultimate parent company.



## NOTES TO THE ACCOUNTS (continued)

14. Commitments	2003 £	2002 £
Capital commitments contracted for	219,978	125,857

Annual commitment under non cancellable operating leases	Land and buildings		Plant and equipment	
	2003 £	2002 £	2003 £	2002 £
Leases expiring :				
Within one year	11,800	7,434	89,532	97,380
Within two to five years	16,300	31,650	194,404	190,382
After five years	270,980	250,500	12,224	-
	299,080	289,584	296,160	287,762

15. Government Grants	2003 £	2002 £
Balance at 1st January 2003	14,477	36,137
Released to the profit and loss account	(14,477)	(21,660)
Balance at 31st December 2003	0	14,477

## 16. Contingent liabilities

The company has jointly and severally guaranteed the indebtedness of the parent company and certain subsidiaries to their bankers.

There are also contingent liabilities in respect of performance bonds and undertakings entered into in the ordinary course of business.

17. Average number of persons employed	2003 No.	2002 No.
Direct	265	283
Indirect	271	252
Total	536	535

18. Directors' remuneration	2003 £	2002 £
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Directors' emoluments	639,898	578,418
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The aggregate emoluments of the highest paid director were £197,437 (2002, £133,479).

	2003	2002
Retirement benefits are accruing to the following number of directors under the Johnston Management Holdings Limited Pension and Life Assurance defined benefit Scheme	7	7

Number of directors who exercised share options under the Johnston Group 1994 Sharesave Scheme	Nil	Nil
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#### 19. Related parties

The company is exempt from the requirement of FRS 8 to disclose transactions with other group subsidiaries on the grounds that the company is wholly owned by Johnston Group PLC which publishes consolidated financial statements (Note 20).

The company's ultimate controlling party is Johnston Group PLC.

#### 20. Ultimate parent company

The only group in which the accounts of the company are consolidated is that headed by its ultimate parent company, Johnston Group PLC, a company registered in England and Wales.

Consolidated accounts are available from Johnston House, Hatchlands Road, Redhill, Surrey, RH1 1BG.