

Johnston Sweepers Limited
Annual report and accounts
for the year ended 31 December 2007

Registered Number 199841

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Johnston Sweepers Limited
Annual report and accounts
for the year ended 31 December 2007
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Johnston Sweepers Limited

Directors and advisors for the year ended 31 December 2007

Directors

R Bailod
DF Bishop
SRL Douglas
J Hauser
CF Offley
PG Rhodes
PC van Rosmalen
G Whittall

Secretary

NC Brunning

Registered office

Curtis Road, Dorking, Surrey, RH4 1XF, United Kingdom

Auditors

PricewaterhouseCoopers LLP
First Point
Buckingham Gate
Gatwick RH6 0PP

Solicitors

Downs Solicitors LLP
156 High Street, Dorking, Surrey, RH4 1BQ

Registered number 199841

Johnston Sweepers Limited

Directors' report for the year ended 31 December 2007

The directors have pleasure in submitting their annual report and financial statements for the year ended 31 December 2007

Principal activities and review of operations

Johnston Sweepers Limited manufactures road cleansing vehicles through its operations in the UK and Denmark

In 2007 turnover increased by 16.5% to £70.8m with favourable market conditions in both the UK and continental Europe particularly in the Eastern European territories. In Denmark the specialist truck mounted operation achieved good results due to a combination of strong demand and further efficiency improvements.

On 1 January 2008 Johnston Sweepers Ltd transferred the net assets of the Johnston Beam branch to a newly created subsidiary, Beam A/S registered in Denmark. Beam A/S will operate as a standalone business creating a divisional centre for the development and production of special application sweepers.

Operating profit before write-down of investments increased from £4.7m to £8.1m. The results for the year are set out on page 8.

Future outlook

Order book levels are good at the start of 2008 which will form a good basis for output in the first half of the year. Looking further ahead it is more difficult to predict the impact of the widely reported credit restrictions in worldwide markets and the effects of local government spending limits in the UK. These factors may combine to reduce demand in the second half of 2008.

Business environment

The European market for road sweeping products continued to be favourable in 2007 with strong demand levels from developing Eastern European markets.

Strategy

Following on from the successful integration of Johnston into the Bucher Group in 2005, the company continues its long term strategy of working with joint suppliers to optimise economies of scale.

Research and development

Research and development costs incurred by the company in the year amounted to £745,000 (2006 £759,000). Development activities in 2007 have focused on the updating of company products to meet new engine emission standards.

Dividends

No dividend has been paid or proposed in 2007 (2006 £1,500,000).

Principle risks and uncertainties

Road cleansing equipment sales are linked to public spending on roads, infrastructure and municipal road cleansing budgets. These sectors are affected by the political environment and changes in central government funding. With increasing focus on recycling investment there can also be short term changes in funding priorities. Johnston is able to reduce these effects with a diversified geographical mix of customers.

Johnston Sweepers Limited

Directors' report for the year ended 31 December 2007 (continued)

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity and interest rates

Credit risk is managed by a combination of pre-delivery credit controls and, if appropriate, credit insurance

The company works closely with the Bucher Group treasury operations to manage exchange and interest rate risk. Loans from the parent company are in local currency and therefore not subject to exchange rate risk

Key performance indicators

KPI	2007	2006	Description
Growth in Sales	16.5%	8.4%	Change in sales relative to the previous year
Operating Margin	11.4%	7.8%	Operating Profit expressed as a percentage of sales (see note below)
Sales per Employee	138.5	122.5	Turnover divided by total employees GBP 000's per employee

Note: Operating profit is stated before write-down of investments

Directors and their interests

The names of the directors holding office at the year end are set out below

R Baillod
DF Bishop
SRL Douglas
J Hauser
CF Offley
PG Rhodes
PC van Rosmalen
G Whittall

Company Secretary

NC Brunning

Johnston Sweepers Limited

Directors' report for the year ended 31 December 2007 (continued)

Employment policies

The company is committed to policies of non-discrimination to promote equal opportunities in employment regardless of race, colour, religion, disability, age, sex, sexual orientation, gender re-assignment, marital/civil partnership status, ethnic or national origin to all employees and job applicants. A company handbook is made available to all employees and there is a system of regular employee briefing and regular newsletters. The company accepts its duties and responsibilities towards people who are disabled as defined under the Disability Discrimination Act, including the duty to make reasonable adjustments to the working environment to minimise any disadvantage that may arise.

Health and safety at work

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

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 vary from supplier to supplier and suppliers will be aware of the terms of payment. At the year-end there were 43 days purchases in creditors (2006: 62).

Provision of information to auditors

So far as the directors are aware, there is no audit information of which the company's auditors are unaware. The directors have taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the directors' duty to exercise due care, skill and diligence), that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the annual general meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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,

Johnston Sweepers Limited

Directors' report for the year ended 31 December 2007 (continued)

- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business included where no separate statement on going concern is made by the directors, in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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

By order of the Board



NC Brunning
Secretary

9th APRIL 2008

Johnston Sweepers Limited

Independent auditors' report to the members of Johnston Sweepers Limited

We have audited the financial statements of Johnston Sweepers Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Johnston Sweepers Limited

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit and cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

First Point, Gatwick Sussex, RH6 0PP

15 April 2008

Johnston Sweepers Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007 £'000	2006 £'000
Turnover – (continuing operations)	1,2	70,773	60,744
Operating costs less other income	3	62,673	56,012
Operating profit before write down of investments		8,100	4,732
Write down of investment in Johnston GmbH	9	170	-
Operating profit		7,930	4,732
Net interest payable	6	733	652
Profit on ordinary activities before taxation		7,197	4,080
Tax on profit on ordinary activities	7	1,911	1,298
Profit for the financial year		5,286	2,782

A statement of movements on reserves is given in note 16

The turnover and operating profit are derived from continuing operations

Johnston Sweepers Limited

Balance sheet as at 31 December 2007

	Note	2007 £'000	2006 £'000
Fixed assets			
Tangible assets	8	7,733	7,845
Investments	9	3,685	3,638
Current assets			
Stock	10	11,488	9,646
Debtors	11	11,462	8,747
Cash at bank and in hand		7,841	6,162
Creditors: amounts falling due within one year	12	(16,122)	(15,505)
Net current assets		14,669	9,050
Total assets less current liabilities		26,087	20,533
Creditors: amounts falling due after more than one year	13	(12,717)	(12,551)
Provisions for liabilities and charges	14	(96)	(78)
Net assets		13,274	7,904
Capital and reserves			
Called up share capital	15	8	8
Revaluation reserve	16	249	249
Profit and loss account	16	13,017	7,647
Total shareholders' funds		13,274	7,904

The financial statements on pages 8 to 24 were approved by the board of directors on the 9th APRIL 2008 and were signed on its behalf by


PC v Rosmalen
Director

Johnston Sweepers Limited

Statement of total recognised gains and losses

	2007	2006
	£'000	£'000
Profit for the financial year	5,286	2,782
Translation adjustment	84	(6)
Total recognised gains and losses for the year	5,370	2,776
Reconciliation of movements in shareholders' funds		
Total recognised gains and losses for the year	5,370	2,776
Dividends paid on equity shares	-	(1,500)
Net increase / (decrease) in shareholders' funds	5,370	1,276
Shareholders' funds at beginning of year	7,904	6,628
Shareholders' funds at end of year	13,274	7,904

Johnston Sweepers Limited

Notes to the financial statements for the year ended 31 December 2007

1 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, until 1998 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.

Preparation of consolidated accounts and subsidiary undertakings

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 which prepares consolidated accounts.

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.

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 Bucher Industries AG which publishes consolidated financial statements that include the company and which contain a group cash flow statement.

Turnover

Turnover is defined as the value of goods and services supplied net of trade discounts, VAT and other sales related taxes. Turnover is normally recognised upon the delivery or ex-works collection of equipment and spare parts. On occasion, products sold on ex-works terms and conditions will be held at the company's premises with the agreement of the customer, in these circumstances an invoice will be raised and the turnover will be recognised in the period that the units are placed into storage. Turnover for service contracts and extended warranty agreements is recognised evenly over the period to which the contract or warranty relates.

Tangible fixed assets

Tangible fixed assets are stated at cost or historic valuation less accumulated 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 and long leasehold	–	Land	Not depreciated
	–	Buildings	50 years
Plant and equipment	–	Fixed	8 years
	–	Mobile	4 years

Johnston Sweepers Limited

1 Principal Accounting policies (continued)

Valuation

Following the adoption of FRS15, the company stopped its policy of revaluing its properties. In accordance with the transitional rules of FRS15, all properties are now shown at cost or where a valuation has been applied before 1st January 1999, at that valuation.

The carrying value of tangible fixed assets are reviewed for impairment if events or circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of fixed assets below depreciated cost is charged to the profit and loss account.

Assets in the course of construction are not depreciated until they are commissioned. Commissioning is deemed to have occurred once the asset has completed its testing phase and is being utilised in production.

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 or the cost of purchase or production. For parts manufactured by the company, the valuation of stock includes an appropriate share of production related 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 to the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Company contributions to the scheme are charged to the profit and loss account in the period to which they relate.

Johnston Sweepers Limited

2 Turnover

Geographical analysis of turnover by destination	2007	2006
	£'000	£'000
Europe & Middle East	60,879	52,948
Asia, Africa, Australia & New Zealand	4,732	3,571
Americas	5,162	4,225
Turnover	70,773	60,744

All turnover originates from operations within the EU

3 Operating profit

	2007	2006
	£'000	£'000
Change in stocks of finished goods and work-in-progress	(1,473)	(1,287)
Other operating income	(733)	(392)
Raw materials and consumables	39,378	34,082
Other external charges	9,042	7,058
Staff costs (see below)	16,339	15,561
Depreciation of owned assets	957	1,040
Profit on disposal of fixed assets	-	(50)
Dividend income	(837)	-
Operating costs less other income	62,673	56,012
Operating Profit is after charging / (crediting) .		
Plant and equipment - operating lease rentals	445	448
Other operating lease rentals	361	328
Translation adjustment	(333)	(378)
Research and development costs	745	759
Audit fees - Audit	44	43
- Services relating to taxation	5	11

Johnston Sweepers Limited

4 Directors' emoluments

	2007	2006
	£'000	£'000
Aggregate emoluments	776	722
The above disclosure includes		
Contributions to pension schemes	37	36

Retirement benefits are accruing to 5 (2006 5) directors under the Friends Provident defined contribution scheme

Highest paid director	2007	2006
	£'000	£'000
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	185	172

The emoluments of Mr R Bailod and Mr J Hauser are paid by the parent company or other Bucher Industries group companies, a proportion of which are recharged to the company indirectly via group management charges. It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries for which they provide support, therefore no disclosure of their emoluments is made in this respect.

Johnston Sweepers Limited

5 Employee information including pensions

	2007	2006
	£'000	£'000
Wages and salaries	14,425	13,856
Social security costs	1,415	1,162
Other pensions costs	499	543
Staff costs	16,339	15,561

The average monthly number of persons (including executive directors) employed by the company during the year was

By activity	2007	2006
	Number	Number
Direct	267	254
Indirect	244	242
Total	511	496

The company operates a Group Personal Pension scheme with Friends Provident Assurance. This is a defined contribution scheme.

	2007	2006
	£'000	£'000
Pension Contributions	499	492

6 Net interest payable

	2007	2006
	£'000	£'000
Sundry interest received	(199)	(103)
Sundry interest / charges paid	40	1
Group interest paid / accrued	889	754
Interest on secured loan	3	-
	733	652

Johnston Sweepers Limited

7 Tax on profit on ordinary activities

(a) Analysis of tax in the year

	2007 £'000	2006 £'000
Current tax:		
UK corporation tax on profits for the year	1,940	1,276
Prior year over provision	(46)	(20)
Total current tax (note 7b)	1,894	1,256
Deferred tax:		
Current year	17	42
Total deferred tax	17	42
Tax on profit on ordinary activities	1,911	1,298

(b) Factors affecting tax for period

The differences between the actual tax charge and the standard rate of corporation tax is explained as follows

	2007 £'000	2006 £'000
Profit on ordinary activities before tax	7,197	4,080
Profit on ordinary activities multiplied by standard rate of tax 30 %	2,159	1,224
Effects of		
Expenses not deductible for tax purposes	(201)	(110)
Movements in timing differences	(18)	162
Prior year over provision	(46)	(20)
Current tax charge for the period (note 7a)	1,894	1,256

Johnston Sweepers Limited

8 Tangible assets

	Land and buildings	Plant and machinery	Assets under const	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2007	6,515	10,662	-	17,177
Additions	75	622	86	783
Translation adjustment	60	52	6	118
Disposals	(30)	(2,164)	-	(2,194)
Transfers	-	(23)	23	-
At 31 December 2007	6,620	9,149	115	15,884
Accumulated depreciation				
At 1 January 2007	952	8,380	-	9,332
Charge for the year	124	809	-	933
Translation adjustment	30	43	-	73
Disposals	(27)	(2,160)	-	(2,187)
At 31 December 2007	1,079	7,072	-	8,151
Net book amount				
At 31 December 2007	5,541	2,077	115	7,733
At 31 December 2006	5,563	2,282	-	7,845

Land and buildings includes £1,505,000 (2006 £1,441,431) of land assets that are not depreciated

Johnston Sweepers Limited

Tangible assets (continued)

Land and buildings comprise of	Freehold Land & Buildings	Leasehold Buildings	Total
	£'000	£'000	£'000
Cost or valuation			
At 1 January 2007	5,494	1,021	6,515
Additions	54	21	75
Disposals	(30)	-	(30)
Translation adjustment	60	-	60
At 31st December 2007	5,578	1,042	6,620
Comprising			
At professional valuation	5,131	860	5,991
At cost	447	182	629
Depreciation			
At 1 January 2007	666	286	952
Charge for year	86	38	124
Disposals	(27)	-	(27)
Translation adjustment	30	-	30
At 31 December 2007	755	324	1079
Net book value			
At 31 December 2007	4,823	718	5,541
At 31 December 2006	4,828	735	5,563

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 31 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, and have been retained at their carrying amounts.

Johnston Sweepers Limited

Tangible assets (continued)

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

	Freehold buildings £'000	Long leasehold £'000	Total £'000
At 31 December 2007			
Original cost	5,768	1,345	7,113
Less aggregate depreciation	(1,514)	(771)	(2,285)
Net book value	4,254	574	4,828
At 31 December 2006			
Original cost	5,684	1,324	7,008
Less aggregate depreciation	(1,425)	(733)	(2,158)
Net book value	4,259	591	4,850

Johnston Sweepers Limited

9 Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost at 1 January and 31 December 2007	4,473
Additions	217
Amounts provided against Johnston GmbH at 31 December 2006	(835)
Amounts provided against Johnston GmbH in 2007	(170)
Net book value 31 December 2007	3,685
Net book value 31 December 2006	3,638

Amounts written down relate to Johnston GmbH, a fully owned subsidiary company registered in Germany. The statutory notice period for removal of the company from the German companies register has now been satisfied, full closure is expected to take place during 2008.

The company has an interest in the unlisted subsidiary undertakings below

Name and country of incorporation if not Great Britain	Proportion of capital shares held by the company %	Consolidation status	Activity
MacDonald Johnston Pty Limited (Australia)	100	Consolidated in Bucher Industries AG accounts only	Manufacture or Agents for the supply of road cleansing and other municipal equipment
Beam A/S (Denmark)	100	Consolidated in Bucher Industries AG accounts only	Manufacture of special application road sweeping vehicles
Johnston GmbH (Germany)	100	Consolidated in Bucher Industries AG accounts only	In liquidation
Johnston Engineering Limited	100	Not consolidated Balance Sheet only £2	Dormant

Johnston Sweepers Limited

10 Stocks

	2007	2006
	£'000	£'000
Raw materials and consumables	1,511	1,310
Work in progress	5,406	4,057
Finished goods and goods for resale	4,571	4,279
	11,488	9,646

11 Debtors

	2007	2005
	£'000	£'000
Trade debtors	9,803	7,596
Amounts owed by group undertakings	876	471
Other debtors	200	132
Prepayments and accrued income	583	548
	11,462	8,747

12 Creditors: amounts falling due within one year

	2007	2006
	£'000	£'000
Bank loans and overdrafts	107	-
Trade creditors	5,749	6,982
Amounts owed to group undertakings	132	468
Other creditors	3,908	3,883
Taxation and social security	471	445
Corporation tax	1,121	672
Accruals and deferred income	4,634	3,055
	16,122	15,505

Johnston Sweepers Limited

13 Creditors: amounts falling due after more than one year

	2007	2006
	£'000	£'000
Amounts owed to group undertakings	12,717	12,551

Amounts owed to group companies comprise of unsecured loans from Bucher Industries AG. Whilst notice of 6 months can be given by Bucher to repay the loan, written assurance has been given that Bucher have no plan to exercise this option within the next 12 months.

14 Provisions for liabilities and charges

Provisions for liabilities and charges: Deferred tax

	2007	2006
	£'000	£'000
Balance at 1 January	78	36
Transfer to profit and loss account	18	42
	96	78

	2007	2006
	£'000	£'000
Excess of capital allowances	298	262
Short term timing differences	(202)	(184)
Capital gains	-	-
Total Provision	96	78

15 Called up share capital

	2007	2006
	£'000	£'000
Authorised		
100,000 ordinary shares of £1 each	100	100
Allotted and fully paid		
8,000 ordinary shares of £1 each	8	8

Johnston Sweepers Limited

16 Reserves

	Profit and loss account	Revaluation reserve
	£'000	£'000
At 1 January 2007	7,647	249
Retained profit for the year	5,286	-
Translation adjustment on overseas assets	84	-
At 31 December 2007	13,017	249

17 Other related party disclosures

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 Bucher Industries AG which publishes consolidated financial statements (Note 22)

18 Post balance sheet events

On 1 January 2008 Johnston Sweepers Ltd transferred the net assets of the Johnston Beam branch to a newly created subsidiary, Beam A/S registered in Denmark. Beam A/S will operate as a standalone business creating a divisional centre for the development and production of special application sweepers.

19 Contingent liabilities

The company's indebtedness to its bankers has been jointly and severally guaranteed by its parent company, Bucher Industries AG.

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

Johnston Sweepers Limited

20 Capital commitments

	2007	2006
	£'000	£'000
Capital commitments contracted for	48	29

21 Financial commitments

At 31 December 2006 the company had annual commitments under non-cancellable operating leases expiring as follows

	Land and buildings		Plant and equipment	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Leases expiring				
Within one year	27	28	130	128
Within two to five years	-	-	315	221
After five years	339	313	-	-
	366	341	445	349

22 Ultimate parent undertaking

The company's ultimate controlling party is Bucher Industries AG, registered in Switzerland

The only group in which the accounts of the company are consolidated is that headed by its ultimate parent company, Bucher Industries AG, a company registered in Switzerland

Consolidated accounts are available from Bucher Industries AG, Murzlenstasse 80 CH-8166 Niederweningen, Switzerland, or via download from the investor relations section of the group website www.bucherind.com