

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

30 APRIL 2001

COMPANY REGISTRATION No 2766044



ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2001

The Directors submit their report together with the audited financial statements for the year ended 30 April 2001

TRADING RESULTS AND DIVIDENDS

The profit for the year before taxation is IR£1,548,000 (2000 - IR£907,000).

No dividend is proposed for the year

The Directors propose that the profit of IR£2,282,000 (2000 - IR£539,000) be transferred to reserves.

PRINCIPAL ACTIVITIES

The principal activity of the Company was the hiring out of plant and machinery in the Republic of Ireland.

DIRECTORS

The Directors who served during the period were:

P D Lewis (Resigned 30 January 2001)
G B Burnett
S I Robson

All the shares of the Company are owned by its holding company, Ashtead Group plc. The interests of G B Burnett and S I Robson, who are also Directors of the holding company, in the shares of that company are shown in the holding company's accounts.

REVIEW OF THE BUSINESS

During the period, a satisfactory level of trading was achieved.

FUTURE DEVELOPMENTS

The Company intends to further develop its operations by continuing to provide the latest equipment.

EMPLOYEES

The Company makes every reasonable effort to give disabled applicants, and existing employees becoming disabled, opportunities for work, training and career development in keeping with their individual aptitudes and abilities. The Company is an equal opportunities employer.

The Company has taken action consistently through the year to introduce, maintain and develop arrangements aimed at involving employees in the Company's affairs. The Company has a positive approach to health and safety at work and to compliance with the provisions of The Health and Safety at Work Act 1974 and a copy of its formal health and safety policy statement is on display at all Company locations. The Company encourages employees to become shareholders in the parent company, Ashtead Group plc, through discretionary and SAYE share option schemes.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 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 for the financial year.

In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently supported by 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 financial statements
- Prepare the financial statements on a going concern basis unless this is inappropriate

The Directors are also responsible for keeping proper accounting records which 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. The Directors also have responsibility for taking reasonable steps to safeguard the assets of the Company and prevent and detect fraud and other irregularities.

ASHTED PLANT HIRE COMPANY (IRELAND) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2001 (continued)

AUDITORS

PricewaterhouseCoopers have expressed their willingness to continue in office and a resolution concerning their re-appointment and authorising the Directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board


R. E. CLARK
Secretary

14 February 2002

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

Auditors' report to the members of Ashtead Plant Hire Company (Ireland) Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 at 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
14 February 2002

ASHTED PLANT HIRE COMPANY (IRELAND) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2001

	<u>Note</u>	2001 <u>IR£'000</u>	2000 <u>IR£'000</u>
TURNOVER - Continuing operations	1	11,895	10,717
Cost of Sales		(7,222)	(5,739)
GROSS PROFIT		<u>4,673</u>	<u>4,978</u>
Administration expenses		(3,051)	(1,644)
OPERATING PROFIT - Continuing operations	2	<u>1,622</u>	<u>3,334</u>
Interest payable and similar charges	4	(74)	(2,427)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,548</u>	<u>907</u>
Tax on profit on ordinary activities	5	734	(368)
AMOUNT TRANSFERRED TO RESERVES		<u>2,282</u> =====	<u>539</u> =====

There are no other recognised gains and losses other than the reported profit for the period.

There is no material difference between the results shown above and those which would have been shown on an unadjusted historical cost basis.

The notes on pages 6 to 11 form part of these financial statements.

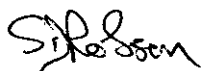
ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

BALANCE SHEET AS AT 30 APRIL 2001

		2001	2000
	Note	IR£'000	IR£'000
TANGIBLE FIXED ASSETS			
- Plant for hire	7	20,388	19,156
- Other fixed assets	7	2,000	2,060
		22,388	21,216
CURRENT ASSETS			
Stocks	6	528	382
Debtors	8	3,667	3,968
Cash at bank and in hand		427	4
Liquid resources		-	11,407
		4,622	15,761
CREDITORS - amounts falling due within one year			
Loans and overdrafts	9	-	(2,377)
Trade and other creditors	10	(17,030)	(26,428)
		(17,030)	(28,805)
NET CURRENT LIABILITIES		(12,408)	(13,044)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,980	8,172
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	(212)	(686)
		9,768	7,486
CAPITAL AND RESERVES			
Called up share capital	12	1,848	1,848
Share premium account	13	223	223
Capital reserve	13	1,388	1,388
Profit and loss account	13	6,309	4,027
EQUITY SHAREHOLDERS' FUNDS		9,768	7,486

The notes on pages 6 to 11 form part of these financial statements.

The financial statements were approved by the Board of Directors on 14 February 2002



S I Robson

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001

1 ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents the total amount receivable for the provision of goods and services to customers net of returns and value added tax. Rental income is recognised on a straight line basis over the period of the contract.

Fixed assets

Fixed assets are stated at historical cost or valuation less accumulated depreciation. Leasehold properties are amortised over the life of each lease. Other fixed assets are depreciated on a straight line basis at rates applied to the opening cost to write down each asset to its residual value over its useful economic life. Rates in use are as follows:

Freehold property	4%
Motor vehicles	25%
Plant and machinery	10% - 33%
Office and workshop equipment	20%

Fixed assets that are not capable of individual identification (non-itemised plant) are depreciated so as to write them down to their residual value over their useful lives of 5 to 10 years.

Deferred taxation

Deferred taxation is provided on the liability method in respect of timing differences between profits as computed for taxation purposes and profits as stated in the accounts only to the extent that there is a reasonable probability that a liability will crystallise in the foreseeable future.

Stocks

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

Repairs and maintenance

Repairs and maintenance of rental equipment is charged against revenue costs incurred in the period.

Pensions

The cost of pensions is charged against operating profit in the period that the contributions are made.

Operating Leases

Operating lease rentals are charged against profits on a straight line basis over the period of the future lease.

General

The Company has taken advantage of the exemption provided by FRS8 from disclosure of transactions between the companies owned 90% or more by the group. There are no other transactions during the year which would require disclosure under FRS8.

The Company has taken advantage of the exemption in FRS1 (revised) and has not prepared a cash flow statement.

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001 - continued

2 OPERATING PROFIT

The operating profit is arrived at after charging/(crediting):

	2001 IR£'000	2000 IR£'000
Staff costs		
- salaries	2,043	2,059
- social security costs	196	241
- other pension costs	79	131
Depreciation	2,819	1,531
Loss on disposal of tangible fixed assets	200	82
Other operating leases	163	146

The average number of employees during the period was 107 (2000 - 100).

The audit fee for the year ended 30 April 2001 is dealt with in the books of the parent company.

3 DIRECTORS' EMOLUMENTS

The Directors are also Directors of the holding company and their emoluments are shown in the accounts of that company. The total emoluments paid to Directors in respect of their services to the Company amounted to IR£nil (2000 - IR£nil)

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2001 IR£'000	2000 IR£'000
Exchange difference on intercompany financing	(337)	2,349
Interest on loans and overdrafts	411	78
	<u>74</u>	<u>2,427</u>
	=====	=====

5 TAX ON PROFIT

	2001 IR£'000	2000 IR£'000
UK Corporation tax at 30% (2000 - 30%)		
- current year	100	125
Double taxation relief	(100)	(125)
	<u>-</u>	<u>-</u>
Overseas taxation		
- current year	100	125
- credit in respect of prior year	(360)	-
	<u>(260)</u>	<u>125</u>
Deferred taxation	(474)	243
	<u>(734)</u>	<u>368</u>
	=====	=====

6. STOCKS

	2001 IR£'000	2000 IR£'000
Goods for resale	146	110
Raw materials, consumables and spares	382	272
	<u>528</u>	<u>382</u>
	=====	=====

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001 (CONTINUED)

7 TANGIBLE FIXED ASSETS

	Freehold Property IR£000	Leasehold Property IR£000	Plant for Hire IR£000	Office and Workshop Equipment IR£000	Motor Vehicles IR£000	Total IR£000
Cost						
At 1 May 2000	1,210	392	23,371	510	901	26,384
Additions	7	80	4,305	67	64	4,523
Disposals	-	-	(1,511)	(1)	(116)	(1,628)
Net transfer (to)/from another group company	-	-	617	(7)	135	745
At 30 April 2001	1,217	472	26,782	569	984	30,024
Depreciation						
At 1 May 2000	92	11	4,215	241	609	5,168
Charge for year	25	9	2,542	105	138	2,819
Disposals	-	-	(448)	(1)	(116)	(565)
Net transfer (to)/from another group company	-	-	85	(7)	138	214
At 30 April 2001	117	20	6,394	338	767	7,636
Net Book Value						
30 April 2001	1,100	452	20,388	231	217	22,388
30 April 2000	1,118	381	19,156	269	292	21,216

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001 - continued

8 DEBTORS

	2001 IR£'000	2000 IR£'000
Amounts falling due within one year		
Trade debtors	3,667	3,965
Prepayments and accrued income	-	3
	<u>3,667</u>	<u>3,968</u>
	=====	=====

9 LOANS AND OVERDRAFT

	2001 IR£'000	2000 IR£'000
Bank overdraft	-	2,377
	<u>-</u>	<u>2,377</u>
	=====	=====

10 TRADE AND OTHER CREDITORS FALLING DUE WITHIN ONE YEAR

	2001 IR£'000	2000 IR£'000
Trade creditors	834	620
Bills payable	3,560	3,394
Other creditors	8	-
Corporation tax	491	517
Other taxes and social security	776	620
Accruals and deferred income	745	1,554
Due to other group companies	10,616	7,204
Loans	-	12,519
	<u>17,030</u>	<u>26,428</u>
	=====	=====

11 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions for liabilities and charges comprise deferred taxation provided at a rate of 30% (2000 30%) as follows:

	Provided in the accounts		Full potential liability	
	2001 IR£'000	2000 IR£'000	2001 IR£'000	2000 IR£'000
Short term timing differences	(28)	24	(28)	24
Accelerated capital allowances	240	662	801	2,208
	<u>212</u>	<u>686</u>	<u>773</u>	<u>2,232</u>
	=====	=====	=====	=====

The movement in the period is as follows:

	IR£'000
At 30 April 2000	686
Charge to profit and loss account for period	(474)
	<u>212</u>
At 30 April 2001	=====

12 SHARE CAPITAL

	2001 Number	2000 Number	2001 IR£	1999 IR£
Authorised				
Ordinary shares of Sterling £1 each	2,218,350	2,218,350	2,018,699	2,018,699
	<u>2,218,350</u>	<u>2,218,350</u>	<u>2,018,699</u>	<u>2,018,699</u>
Issued and fully paid				
Ordinary shares of Sterling £1 each	2,030,699	2,030,699	1,847,937	1,847,937
	<u>2,030,699</u>	<u>2,030,699</u>	<u>1,847,937</u>	<u>1,847,937</u>

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001 - continued

13 RESERVES

	Share capital IR£'000	Share Premium IR£'000	Capital reserve IR£'000	Profit & loss account IR£'000	Total shareholders' funds IR£'000
At May 2000	1,848	223	1,388	4,027	7,486
Profit for period	-	-	-	2,282	2,282
At 30 April 2001	1,848	223	1,388	6,309	9,768

No separate reconciliation of shareholder's funds has been provided as the only movement is the retained profit for the period.

14 PENSIONS

The Company operates a money purchase pension scheme for its employees in the Republic of Ireland.

The Company contributed at a fixed rate of 8.5% of basic salary at 1 May each year as adjusted for leavers during the financial year.

	2001 IR£'000	2000 IR£'000
Cost	67 ===	131 ===

15 OPERATING LEASES

Minimum commitments under existing operating leases in the year ended 30 April 2001 may be analysed by date of termination of the lease as follows:

	2001 IR£'000	2000 IR£'000
<u>Land and buildings</u>		
Terminating in one year	-	-
Terminating between two and five years	-	-
Terminating in more than five years	172	172
	172 =====	172 =====

16 IMPLEMENTATION OF FRS18: ACCOUNTING POLICIES

The Company has adopted early the new Financial Reporting Standard number 18 (FRS18) in its accounts for the year ended 30 April 2001. Adoption of FRS 18 required a full review of all the Company's accounting policies and estimation techniques (the latter being the methods by which accounting policies are implemented). This review was conducted in accordance with FRS 18 which requires that, where a choice of treatment is available, the "most appropriate" accounting policies and estimation techniques shall be used. Implementation of FRS 18 resulted in the following changes to accounting policies and estimation techniques:

Revisions to Estimation Techniques

Non-mechanical equipment (acrow props and equipment, aluminium access towers and steel scaffolding) has until now been held in fixed assets at cost with write offs booked against cost of sales in respect of both equipment sold in the period and equipment becoming damaged or broken or otherwise unusable in the period. Having regard to the FRS 18 requirement to apply the "most appropriate" accounting practices it has been decided in future to calculate depreciation using an estimated life of 20 years and zero residual value. This change to depreciation is a change to a more appropriate estimation technique to be implemented in line with the principles set out in FRS 15: Tangible Fixed Assets. Consequently the impact of the revised estimation technique is being implemented prospectively by way of an increased depreciation charge with no adjustments made to opening reserves.

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2001 - continued

16 IMPLEMENTATION OF FRS18: ACCOUNTING POLICIES (continued)

The effect of these adjustments on the profit for the year and net assets are shown in the table below:

	<u>Reduction in profits</u>		<u>Reduction in net assets/ shareholders funds</u>	
	<u>2000/01</u>	<u>1999/00</u>	<u>2001</u>	<u>2000</u>
	<u>IR£'000</u>	<u>IR£'000</u>	<u>IR£'00</u>	<u>IR£'000</u>
			0	
Pre-tax profits/net assets under previous accounting policies & estimation techniques	2,036	907	10,256	7,486
Estimation technique changes				
Non-mechanical equipment depreciation:				
- additional depreciation charge for the year	(488)	-	(488)	-
	-----	-----	-----	-----
Pre-tax profit/net assets under FRS 18	<u>1,548</u>	<u>907</u>	<u>9,768</u>	<u>7,486</u>

There is no impact on the Company's tax position from these changes in accounting policies and estimation techniques.

17 SUBSEQUENT EVENTS

Subsequent to the year end, management made a decision to exit certain lines of business, resulting in the disposal of a number of assets. The estimated loss on final disposal of these assets, which was initiated in November 2001 and is expected to take until mid 2002, is IR£4m which will be reflected in the financial statements for the year ending 30 April 2002.

18 RELATED PARTIES

In accordance with Financial Reporting Standard No. 8: Related Party Disclosures, the Company is exempt from disclosing transactions with entities that are part of the group, as it is a wholly owned subsidiary undertaking of a parent publishing consolidated financial statements.

19 ULTIMATE HOLDING COMPANY

The parent and ultimate holding company is Ashtead Group plc, a company registered in England. This company is also the parent of the smallest and largest groups for which group accounts are prepared. Copies of the consolidated financial statements of Ashtead Group plc can be obtained from Ashtead House, Business Park 8, Barnett Wood Lane, Leatherhead, Surrey, KT22 7DG.