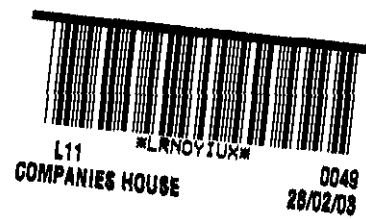


ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

30 APRIL 2002

COMPANY REGISTRATION No 2766044



ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 APRIL 2002

The Directors submit their report together with the audited financial statements for the year ended 30 April 2002.

TRADING RESULTS AND DIVIDENDS

The loss for the year after taxation is €8,247,000 (2001: profit of €2,186,000).

No dividend is proposed for the year.

The Directors propose that the deficit of €8,247,000 (2001: surplus of €2,186,000) 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:

G B Burnett
S I Robson

All the shares of the Company are owned by its holding company, Asstead 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

This was a year of consolidation as the Company addressed a number of internal issues such as the exceptional equipment disposal programme. During the period, a satisfactory level of trading was achieved, although considerable time was spent on internal issues acting, in some cases, as a distraction to the business. However, the Company can report that the necessary actions are now completed.

FUTURE DEVELOPMENTS

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

POLICY ON PAYMENT OF SUPPLIERS

Suppliers are paid in accordance with the individual payment terms agreed with each of them for each transaction. The number of creditor days at the year end was 83 (2001: 170) which reflects the terms agreed with individual suppliers.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the year as explained on page 6 under Note 1 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 April 2002 and that applicable accounting standards have been followed.

The Directors are also 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.

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2002 (continued)

AUDITORS

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 17 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By Order of the Board



R E CLARK
Secretary

27 February 2003

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

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

We have audited the financial statements which comprise the profit and loss account, the balance sheet, and the statement of total recognised gains and losses and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 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. The other information comprises only the directors' report.

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 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

27 February 2003

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2002

	<u>Note</u>	2002 <u>€'000</u>	2001 Restated <u>€'000</u>
TURNOVER - Continuing operations	1	11,410	15,104
Cost of Sales		(9,898)	(9,170)
GROSS PROFIT		<u>1,512</u>	<u>5,934</u>
Administration expenses		(3,702)	(3,874)
OPERATING (LOSS)/ PROFIT - Continuing operations	3	<u>(2,190)</u>	<u>2,060</u>
Exceptional item	18	(4,891)	-
Interest payable and similar charges	5	(2,703)	(94)
(LOSS)/ PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(9,784)</u>	<u>1,966</u>
Tax on (loss)/profit on ordinary activities	6	1,537	220
AMOUNT TRANSFERRED TO RESERVES		<u>(8,247)</u> =====	<u>2,186</u> =====

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

All turnover and operating profit are generated from activities in the Republic of Ireland from the hire of non-operated plant and machinery.

The notes on pages 6 to 12 form part of these financial statements.

Comparative figures have been restated as described in note 17.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2002

	2002 <u>€'000</u>	2001 Restated <u>€'000</u>
(Loss)/Profit for financial year after taxation	(8,247)	2,186
Total recognised gains and (losses) relating to the year	<u>(8,247)</u>	<u>2,186</u>
Prior period adjustment (FRS 19)	(711)	-
Total (losses)/gains recognised since last annual report	<u>(8,958)</u> =====	<u>2,186</u> =====

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

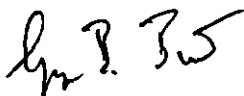
BALANCE SHEET AS AT 30 APRIL 2002

		2002	Restated 2001
	Note	€'000	€'000
TANGIBLE FIXED ASSETS			
- Plant for hire	7	18,372	25,880
- Other fixed assets	7	2,244	2,548
		20,616	28,428
CURRENT ASSETS			
Stocks	8	301	670
Debtors	9	11,274	4,656
Cash at bank and in hand		477	542
		12,052	5,868
CREDITORS – amounts falling due within one year			
Trade and other creditors	10	(4,374)	(21,624)
		(4,374)	(21,624)
NET CURRENT ASSETS/(LIABILITIES)		7,678	(15,756)
TOTAL ASSETS LESS CURRENT LIABILITIES		28,294	12,672
CREDITORS – amounts falling due after more than one year			
Loans	11	(24,850)	-
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	-	(981)
		3,444	11,691
CAPITAL AND RESERVES			
Called up share capital	13	2,346	2,346
Share premium account	14	283	283
Capital reserve	14	1,762	1,762
Profit and loss account	14	(947)	7,300
TOTAL EQUITY SHAREHOLDERS' FUNDS		3,444	11,691

The notes on pages 6 to 12 form part of these financial statements.

Comparative figures have been restated as described in note 17.

The financial statements were approved by the Board of Directors on 27 February 2003.



G B Burnett

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements include the results of the Company. A summary of the more important accounting policies, which have been applied consistently with the exception of the impact of the adoption of FRS 19: Deferred tax as described in note 17, is given in the following paragraphs. Comparative figures have been restated to reflect the change in accounting policy.

Functional currency

These financial statements are prepared in Euros at the standard exchange rate to the Irish Punt (0.787564) used on the Republic of Ireland's adoption of the Euro on 1 January 2002. All figures from 1 May 2001 relating to these financial statements were exchanged using the above rate.

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	16% - 25%
Rental equipment	5% - 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 20 years.

Deferred taxation

Deferred taxation is provided using the incremental liability approach and is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date. Deferred tax is recognised in respect of timing differences that originated but not reversed by the balance sheet date except that (a) deferred tax in respect of unremitted earnings of overseas subsidiaries is only recognised where there is a binding intent to distribute past earnings at the balance sheet date; and (b) deferred tax assets are only recognised to the extent that they are regarded as recoverable.

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 Company operates a defined contribution plan for the benefit of employees. Contributions to defined contribution plans are expensed as incurred.

Operating Leases

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

2 CASHFLOW STATEMENT AND RELATED PARTY DISCLOSURES

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

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.

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

3 OPERATING (LOSS)/PROFIT

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

	2002 €'000	2001 €'000
Staff costs		
- salaries	2,801	2,594
- social security costs	326	249
- other pension costs	184	100
Depreciation	3,543	3,579
Loss on disposal of tangible fixed assets	104	254
Other operating leases	173	207

The average number of employees during the period was 107 (2001 – 100).

Audit fees for the year ended 30 April 2002 have been borne by the parent company.

Profits and losses on disposal of fixed assets (excluding the exceptional UK disposal programme) have been included within operating profit as they resulted from routine sales of rental equipment and are considered in effect to be no more than required adjustments to depreciation previously charged.

4 DIRECTORS' EMOLUMENTS

G B Burnett and S I Robson were also directors of the holding company throughout the year; the emoluments receivable in respect of their services to that company are shown in that company's accounts.

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2002 €'000	2001 €'000
Exchange difference on intercompany financing	1,309	(428)
Interest on loans and overdrafts	1,394	522
	-----	-----
	2,703	94
	=====	=====

6 TAX ON PROFIT

	2002 €'000	2001 Restated €'000
UK Corporation tax at 30% (2001 – 30%)		
- current year	-	127
- prior year	-	-
Double taxation relief	-	(127)
	-----	-----
	-	-
Overseas taxation		
- current year	-	127
- prior year	(556)	(457)
	-----	-----
	(556)	(330)
Deferred taxation	(981)	110
	-----	-----
	(1,537)	(220)
	=====	=====

The reconciliation between the tax credit for the year and that expected on the basis of the UK standard corporation tax rate of 30% is as follows:

	€'000
Expected tax credit based on the loss before taxation of €9,784,000 for the year at the standard UK corporation tax rate of 30%	(2,935)
Group relief surrendered for no consideration	1,713
Deferred tax asset not recognised	(344)
Other permanent differences	29

Actual tax credit for the year	(1,537)

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS - 30 APRIL 2002 (CONTINUED)

7 TANGIBLE FIXED ASSETS

Cost	Freehold Property €'000	Leasehold Property €'000	Plant for Hire €'000	Office and Workshop Equipment €'000	Motor Vehicles €'000	Total €'000
At 1 May 2001	1,494	650	33,997	733	1,249	38,123
Additions	-	-	1,046	39	-	1,085
Disposals	-	-	(10,614)	(37)	(18)	(10,669)
Net transfer (to)/from another group company	-	-	384	-	11	395
At 30 April 2002	1,494	650	24,813	735	1,242	28,934
Depreciation						
At 1 May 2001	145	29	8,117	430	974	9,695
Charge for year	30	13	3,208	113	179	3,543
Disposals	-	-	(4,860)	(29)	(18)	(4,907)
Net transfer (to)/from another group company	-	-	(24)	-	11	(13)
At 30 April 2002	175	42	6,441	514	1,146	8,318
Net Book Value						
30 April 2002	1,319	608	18,372	221	96	20,616
At 1 May 2001	1,349	621	25,880	303	275	28,428

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

8 STOCKS

	2002 €'000	2001 €'000
Goods for resale	73	185
Raw materials, consumables and spares	228	485
	-----	-----
	301	670
	=====	=====

9 DEBTORS

	2002 €'000	2001 €'000
Amounts falling due within one year		
Trade debtors	2,801	4,656
Prepayments and accrued income	7	-
Due from other group companies	8,466	-
	-----	-----
	11,274	4,656
	=====	=====

10 TRADE AND OTHER CREDITORS FALLING DUE WITHIN ONE YEAR

	2002 €'000	2001 €'000
Trade creditors	668	1,059
Bills payable	358	4,520
Other creditors	-	10
Corporation tax	-	623
Other taxes and social security	53	985
Accruals and deferred income	1,039	946
Due to other group companies	2,256	13,481
	-----	-----
	4,374	21,624
	=====	=====

11 LOANS AND OVERDRAFT

	2002 €'000	2001 €'000
Loans falling due in more than one year	24,850	-
	=====	=====
Maturity of debt		
In one year or less, or on demand	-	-
In more than one year, but not more than two years	-	-
In more than two years, but not more than five years	-	-
In more than five years	24,850	-
	-----	-----
	24,850	-
	=====	=====

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

12 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions for liabilities and charges comprise deferred taxation provided at a rate of 30% (2001 30%) as follows:

	Provided in the accounts 2002 €'000	Provided in the accounts 2001 €'000
Short term timing differences	-	(36)
Accelerated capital allowances	-	1,017
	-----	-----
	-	981
	=====	=====
Deferred tax asset not recognised	(344)	-
	=====	=====
The movement in the year is as follows:		€'000
At 30 April 2001		270
Prior year adjustment to reserves		711

Full potential liability at 30 April 2001		981
Credit to profit and loss account for period		(981)

At 30 April 2002		-
		=====

The Company has adopted FRS 19 – Deferred taxation this year which requires full provision to be made for deferred taxation as opposed to the partial provision required by the previous accounting standard, SSAP 15. Comparative figures for the previous year have been restated accordingly by way of a prior year adjustment to reserves.

13 SHARE CAPITAL

	2002 Number	2001 Number	2002 €	2001 €
Authorised				
Ordinary shares of Sterling £1 each	2,218,350	2,218,350	2,563,219	2,563,219
	-----	-----	-----	-----
Allotted, called up and fully paid				
Ordinary shares of Sterling £1 each	2,030,699	2,030,699	2,346,396	2,346,396
	-----	-----	-----	-----

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

14 RESERVES

	Share capital €'000	Share Premium €'000	Capital reserve €'000	Profit & loss account €'000	Total Shareholders' Funds €'000
At 1 May 2001	2,346	283	1,762	8,011	12,402
FRS 19 adjustment				(711)	(711)
Restated opening	2,346	283	1,762	7,300	11,691
Loss for period	-	-	-	(8,247)	(8,247)
At 30 April 2002	2,346	283	1,762	(947)	3,444

	Share capital €'000	Share Premium €'000	Capital reserve €'000	Profit & loss account €'000	Total shareholders' funds €'000
At 1 May 2000	2,346	283	1,762	5,113	9,504
Profit for period	-	-	-	2,898	2,898
At 30 April 2001	2,346	283	1,762	8,011	12,402

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

15 PENSIONS

The Company operates a defined contribution 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.

	2002 €'000	2001 €'000
Cost	69 ===	85 ===

16 OPERATING LEASES

Minimum commitments under existing operating leases in the year ended 30 April 2002 may be analysed by date of termination of the lease as follows:

	2002 €'000	2001 €'000
<u>Land and buildings</u>		
Terminating in one year	-	-
Terminating between two and five years	-	-
Terminating in more than five years	247	218
	247 =====	218 =====

ASSTEAD PLANT HIRE COMPANY (IRELAND) LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2002

17 IMPLEMENTATION OF FRS 19: ACCOUNTING POLICIES

The Company adopted the new Financial Reporting Standard number 19 (FRS 19) in its accounts for the year ended 30 April 2002. Adoption of FRS 19 requires full provision to be made for 'deferred tax' assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation. FRS 19 replaces the previous 'partial' provision method in SSAP 15. The adoption of FRS 19 resulted in the following changes in accounting policy:

Accounting Policy Changes

The effect of the change in accounting policy to adopt FRS 19 was to increase tax on profit on ordinary activities by £Nil (2001: €711,654) and to decrease profit for the financial year by £Nil (2001: €711,654).

18 EXCEPTIONAL ITEMS

Management made a decision during the year ended 30 April 2001 to exit certain lines of business in the year ending 30 April 2002, resulting in the disposal of a number of assets. The loss on final disposal of these assets, which was initiated in November 2001, is €4,891,000, which is reflected in the financial statements for the current year.

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 Kings Court, 41-51 Kingston Road, Leatherhead, Surrey, KT22 7AP.