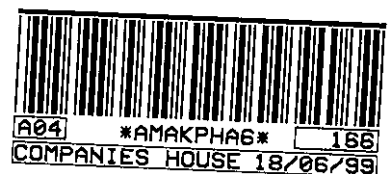


**WESTCOUNTRY CRANE HIRE LIMITED  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 1998**

**REGISTERED NUMBER: 3454018**

**MARK HOLT & CO LIMITED  
CHARTERED ACCOUNTANTS  
MARINE BUILDING  
VICTORIA WHARF  
PLYMOUTH  
PL4 0RF**



**WESTCOUNTRY CRANE HIRE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

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**The following page does not form part of the statutory accounts**

Detailed trading and profit And loss account	Appendix 1
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**WESTCOUNTRY CRANE HIRE LIMITED**  
**COMPANY INFORMATION**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

INCORPORATED	22 October 1997
NUMBER	3454018
DIRECTORS	Mr P D Kitson Mrs J Kitson Mr B Metters
SECRETARY	Mrs J Kitson
REGISTERED OFFICE	Mark Holt & Co Limited Marine Building Victoria Wharf PLYMOUTH PL4 0RF
AUDITORS	Mark Holt & Co Limited Chartered Accountants Marine Building Victoria Wharf PLYMOUTH PL4 0RF

**WESTCOUNTRY CRANE HIRE LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

The directors present their report and the audited financial statements for the period ended 31 October 1998.

**PRINCIPAL ACTIVITY**

The principal activity of the company is that of crane hire.

**DIRECTORS**

The directors of the company during the period and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	<b>31 October 1998</b> <b>Ordinary</b> <b>shares</b>
Mr P D Kitson	2
Mrs J Kitson	-
Mr B Metters	-

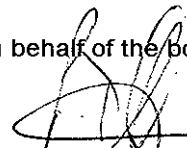
**AUDITORS**

The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Mark Holt & Company Limited will continue in office.

**SMALL COMPANY EXEMPTIONS**

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard from Smaller Entities.

On behalf of the board

  
Mr P D Kitson  
Director

14 June 1999

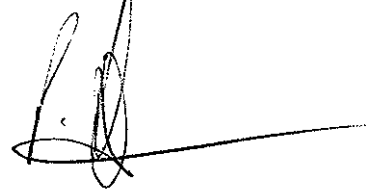
**WESTCOUNTRY CRANE HIRE LIMITED**  
**STATEMENT OF DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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 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.

On behalf of the board

A handwritten signature in black ink, appearing to be 'P D Kitson', written over a horizontal line.

Mr P D Kitson  
Director

**WESTCOUNTRY CRANE HIRE LIMITED****AUDITORS' REPORT****AUDITORS' REPORT TO THE MEMBERS OF WESTCOUNTRY CRANE HIRE LIMITED**

We have audited the financial statements on pages 5 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 7.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF 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 error or other irregularity. 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 October 1998 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



16 June 1999

Mark Holt & Co Limited  
Registered Auditors &  
Chartered Accountants  
Marine Building  
Victoria Wharf  
PLYMOUTH  
PL4 0RF

**WESTCOUNTRY CRANE HIRE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

	Note	1998 £
<b>TURNOVER</b>	2	814,390
Cost of sales		(662,139)
<b>GROSS PROFIT</b>		----- 152,251
<b>NET OPERATING EXPENSES</b>		
Distribution costs		(11,658)
Administrative expenses		(138,464)
Other operating income		383
<b>OPERATING PROFIT</b>	3	----- 2,512
Interest payable		(88)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		----- 2,424
Taxation	5	----- (250)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		----- 2,174
<b>RETAINED FOR THE PERIOD</b>	11	=====

Movements in reserves are shown in note 11.

## WESTCOUNTRY CRANE HIRE LIMITED

## BALANCE SHEET

AT 31 OCTOBER 1998

	Note	1998 £	£
<b>FIXED ASSETS</b>			
Tangible assets	6		3,837
<b>CURRENT ASSETS</b>			
Debtors	7	163,551	
Cash at bank and in hand		3,634	
		<u>167,185</u>	
<b>CREDITORS</b>			
Amounts falling due within one year	8	(168,846)	
<b>NET CURRENT LIABILITIES</b>			<u>(1,661)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,176</u>
<b>CAPITAL AND RESERVES</b>			<u>=====</u>
Called up share capital	9		2
Profit and loss account	11		2,174
<b>TOTAL SHAREHOLDERS' FUNDS</b>			<u>2,176</u>
			<u>=====</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

The financial statements on pages 5 to 7 were approved by the board of directors on 14 June 1999 and signed on its behalf by:



Mr P D Kitson  
Director

**WESTCOUNTRY CRANE HIRE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	15% reducing balance method
---------------------	-----------------------------

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**2 TURNOVER**

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK.

**3 OPERATING PROFIT**

	<b>1998</b>
	<b>£</b>
Operating profit is stated after crediting	
Interest receivable	383
	=====
and after charging	
Auditors' remuneration	1000
	=====
Depreciation of tangible fixed assets (note 6)	
Owned assets	162
	=====

**4 DIRECTORS**

	<b>1998</b>
	<b>£</b>
Directors' emoluments	39,826
	=====

**WESTCOUNTRY CRANE HIRE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

**5 TAXATION**

	<b>1998</b>
	<b>£</b>
Corporation Tax @ 21%	250
	=====

**6 TANGIBLE FIXED ASSETS**

	<b>Plant and Machinery etc</b>
	<b>£</b>
<b>Cost</b>	
Additions	3,999
31 October 1998	----- 3,999 -----
<b>Depreciation</b>	
Charge for period	162
31 October 1998	----- 162 -----
<b>Net book amount</b>	
31 October 1998	----- 3,837 =====

**7 DEBTORS**

	<b>1998</b>
	<b>£</b>
Amounts falling due within one year	
Trade debtors	160,851
Directors current account	387
Prepayments	2,313
	----- 163,551 =====

The overdrawn directors current account represents the maximum amount during the period.

**8 CREDITORS**

	<b>1998</b>
	<b>£</b>
Amounts falling due within one year	
Trade creditors	100,427
Other taxation and social security	35,508
Accruals	32,911
	----- 168,846 =====

**WESTCOUNTRY CRANE HIRE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 1998**

**9 DEFERRED TAXATION**

	Potential liability	1998 Provision made
Accelerated capital allowances	306	-
	=====	=====

The potential liability is based on a corporation tax rate of 21%.

In accordance with SSAP15, no amounts have been provided in respect of the potential deferred tax liability, as it is not expected to crystallise in the near future.

**10 CALLED UP SHARE CAPITAL**

	Number of shares	1998 £
<b>Authorised</b>		
Ordinary £1 shares	1,000	1,000
	=====	=====
<b>Allotted called up and fully paid</b>		
Ordinary £1 shares	2	2
	=====	=====

**11 PROFIT AND LOSS ACCOUNT**

	1998 £
Retained profit for the period	2,174
31 October 1998	----- 2,174 =====

**12 YEAR 2000 COMPLIANCE**

As is well known, many computer and digital storage systems express dates using only the two digits of the year and will thus require modification or replacement to accommodate the Year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

**13. TRANSACTIONS WITH DIRECTORS**

Mr P D Kitson (director) is also the owner of Mr P D Kitson T/A Cashlifts. Westcountry Crane Hire Limited hired cranes from Cashlifts during the period. In the opinion of the director, these transactions are at arms length and in the ordinary course of business.

At the end of the period, the amount due to Cashlifts was £82,590.

**14. POST BALANCE SHEET EVENTS**

On the 31 March 1999 Westcountry Crane Hire Limited contracted to acquire the net assets and trade of P D Kitson T/A Cashlifts Crane Hire. The consideration agreed was £248,000 for Goodwill and the market value of Net Assts to be determined by completion accounts.