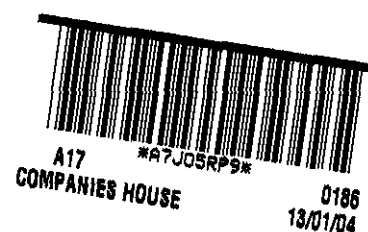


COMPANY REGISTRATION NUMBER 3454018

**WESTCOUNTRY CRANE HIRE LIMITED**  
**FINANCIAL STATEMENTS**  
**30 APRIL 2003**



**MARK HOLT & CO LIMITED**  
Chartered Accountants & Registered Auditors  
Marine Building  
Victoria Wharf  
Plymouth  
Devon  
PL4 0RF

# **WESTCOUNTRY CRANE HIRE LIMITED**

## **FINANCIAL STATEMENTS**

**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

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# **WESTCOUNTRY CRANE HIRE LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **The board of directors**

P D Kitson  
J Kitson  
B K Metters

### **Company secretary**

B K Metters

### **Registered office**

C/o Mark Holt & Co Ltd  
Marine Building  
Victoria Wharf  
Plymouth  
PL4 0RF

### **Auditors**

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

# WESTCOUNTRY CRANE HIRE LIMITED

## THE DIRECTORS' REPORT

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

The directors have pleasure in presenting their report and the financial statements of the company for the period from 1 November 2001 to 30 April 2003.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of the hire of mobile cranes, hiab transport and haulage, plus installation of machinery.

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the period together with their beneficial interests, including family holdings, in the shares of the company were as follows:

	Class of share	At	At
		30 April 2003	1 November 2001
P D Kitson	Ordinary	4,542	5,500
	A	27	—
J Kitson	Ordinary	3,342	4,000
	A	19	—
B K Metters	Ordinary	800	500
	B	1	1

### DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss for the period then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 10 to 12, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

### AUDITORS

A resolution to re-appoint Mark Holt & Co Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# WESTCOUNTRY CRANE HIRE LIMITED

## THE DIRECTORS' REPORT *(continued)*

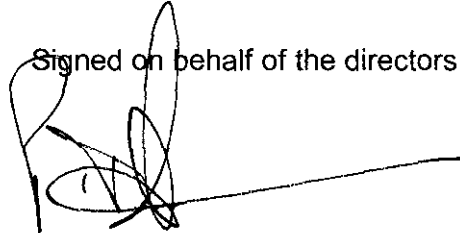
PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
C/o Mark Holt & Co Ltd  
Marine Building  
Victoria Wharf  
Plymouth  
PL4 0RF

Signed on behalf of the directors



P D Kitson

Director

Approved by the directors on ...5/1/2004

# **WESTCOUNTRY CRANE HIRE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

We have audited the financial statements on pages 6 to 16 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on pages 10 to 12 .

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company 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 United Kingdom 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.

**WESTCOUNTRY CRANE HIRE LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS** *(continued)*

**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2003 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



MARK HOLT & CO LIMITED  
Chartered Accountants  
& Registered Auditors

Marine Building  
Victoria Wharf  
Plymouth  
Devon  
PL4 0RF

8th January 2004.

# WESTCOUNTRY CRANE HIRE LIMITED

## PROFIT AND LOSS ACCOUNT

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

	Note	30 Apr 03 £	Year to 31 Oct 01 (restated) £
<b>TURNOVER</b>		<b>3,687,330</b>	<b>3,420,413</b>
Cost of sales		<u>1,931,587</u>	<u>1,568,567</u>
<b>GROSS PROFIT</b>		<b>1,755,743</b>	<b>1,851,846</b>
Administrative expenses		1,214,905	1,086,667
Other operating income		<u>(61,017)</u>	<u>—</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>601,855</b>	<b>765,179</b>
Interest receivable		2,207	2,087
Interest payable and similar charges		<u>(188,088)</u>	<u>(170,836)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>415,974</b>	<b>596,430</b>
Tax on profit on ordinary activities	<b>4</b>	<b>91,612</b>	<b>154,243</b>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>324,362</b>	<b>442,187</b>
Equity dividends paid		<u>104,940</u>	<u>17,100</u>
<b>RETAINED PROFIT FOR THE FINANCIAL PERIOD</b>		<b><u>219,422</u></b>	<b><u>425,087</u></b>

The notes on pages 10 to 16 form part of these financial statements.



**WESTCOUNTRY CRANE HIRE LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

	30 Apr 03	Year to 31 Oct 01 (restated)
	£	£
Profit for the financial period attributable to the shareholders	324,362	442,187
Total recognised gains and losses relating to the period	<u>324,362</u>	<u>442,187</u>
Prior year adjustment (see note 5)	(360,206)	
Total gains and losses recognised since the last annual report	<u>(35,844)</u>	

The notes on pages 10 to 16 form part of these financial statements.

# WESTCOUNTRY CRANE HIRE LIMITED

## BALANCE SHEET

30 APRIL 2003

	Note	30 Apr 03		31 Oct 01 (restated)
		£	£	£
<b>FIXED ASSETS</b>				
Intangible assets	6	136,400		173,600
Tangible assets	7	2,597,744		2,783,259
		<u>2,734,144</u>		<u>2,956,859</u>
<b>CURRENT ASSETS</b>				
Stocks		5,673		2,530
Debtors	8	497,060		716,519
Cash at bank and in hand		614		106,155
		<u>503,347</u>		<u>825,204</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>1,328,902</u>		<u>1,443,633</u>
<b>NET CURRENT LIABILITIES</b>			<u>(825,555)</u>	<u>(618,429)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,908,589</u>	<u>2,338,430</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	10		<u>704,156</u>	<u>1,334,382</u>
			<u>1,204,433</u>	<u>1,004,048</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>				
Deferred taxation	11		<u>341,123</u>	<u>360,206</u>
			<u>863,310</u>	<u>643,842</u>
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	13	10,047		10,001
Profit and loss account		853,263		633,841
<b>SHAREHOLDERS' FUNDS</b>			<u>863,310</u>	<u>643,842</u>

The Balance sheet continues on the following page.

The notes on pages 10 to 16 form part of these financial statements.

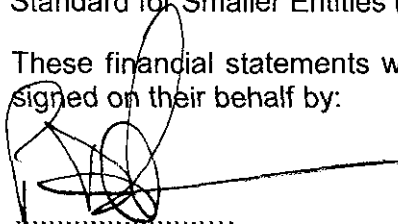
# WESTCOUNTRY CRANE HIRE LIMITED

## BALANCE SHEET *(continued)*

30 APRIL 2003

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the ...5/1/2004 and are signed on their behalf by:



P D KITSON

The notes on pages 10 to 16 form part of these financial statements.

# **WESTCOUNTRY CRANE HIRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10 years straight line

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 10% reducing balance
Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 20% reducing balance

Land and Buildings - No depreciation

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

# **WESTCOUNTRY CRANE HIRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003**

### **1. ACCOUNTING POLICIES *(continued)***

#### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

# WESTCOUNTRY CRANE HIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### 1. ACCOUNTING POLICIES *(continued)*

#### Employee benefit trust

The company makes contributions to an Employee Benefit Trust. The trust is managed and controlled by independent trustees and provides benefits for employees. The implications of UITF 32 have been considered and the contributions are charged to the profit and loss account in the period to which they relate.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	30 Apr 03	Year to 31 Oct 01 <i>(restated)</i>
	£	£
Directors' emoluments	87,939	51,603
Amortisation	37,200	24,800
Depreciation of owned fixed assets	263,725	184,041
Depreciation of assets held under hire purchase agreements	131,705	103,383
Loss on disposal of fixed assets	87,652	11,813
Auditors' fees	<u>2,000</u>	<u>2,000</u>

### 3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	30 Apr 03	Year to 31 Oct 01 <i>(restated)</i>
	£	£
Aggregate emoluments	<u>87,939</u>	<u>51,603</u>

# WESTCOUNTRY CRANE HIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	30 Apr 03		Year to 31 Oct 01 (restated)
	£	£	£
Current tax:			
In respect of the period:			
UK Corporation tax based on the results for the period at 19% (2001 - 20%)		105,000	133,000
Over/under provision in prior year		5,695	114
Total current tax		110,695	133,114
Deferred tax:			
(Decrease)/Increase in deferred tax provision (note 11)			
Capital allowances		2,046	21,129
<b>Deferred tax:</b>			
Capital allowances		(21,129)	-
Total deferred tax (note 11)		(19,083)	21,129
Tax on profit on ordinary activities		91,612	154,243

### 5. PRIOR YEAR ADJUSTMENT

The prior year adjustment (£360,206) was entered in the accounts after a change of accounting policy. The company has adopted the accounting policy of providing for deferred tax, in accordance with FRS 19 (Effective Jan 2002). As deferred tax has previously only been disclosed in the accounts, a prior year adjustment is required.

### 6. INTANGIBLE FIXED ASSETS

	Goodwill £
<b>COST</b>	
At 1 November 2001 and 30 April 2003	248,000
<b>AMORTISATION</b>	
At 1 November 2001	74,400
Charge for the period	37,200
At 30 April 2003	111,600
<b>NET BOOK VALUE</b>	
At 30 April 2003	136,400
At 31 October 2001	173,600

# WESTCOUNTRY CRANE HIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### 7. TANGIBLE FIXED ASSETS

	Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1 November 2001	—	3,343,832	53,813	77,165	3,474,810
Additions	4,003	476,810	8,205	13,600	502,618
Disposals	—	(362,250)	(94)	(4,726)	(367,070)
<b>At 30 April 2003</b>	<b>4,003</b>	<b>3,458,392</b>	<b>61,924</b>	<b>86,039</b>	<b>3,610,358</b>
<b>DEPRECIATION</b>					
At 1 November 2001	—	656,880	9,739	24,932	691,551
Charge for the period	—	365,951	14,143	15,336	395,430
On disposals	—	(72,272)	(41)	(2,054)	(74,367)
<b>At 30 April 2003</b>	<b>—</b>	<b>950,559</b>	<b>23,841</b>	<b>38,214</b>	<b>1,012,614</b>
<b>NET BOOK VALUE</b>					
<b>At 30 April 2003</b>	<b>4,003</b>	<b>2,507,833</b>	<b>38,083</b>	<b>47,825</b>	<b>2,597,744</b>
At 31 October 2001	—	2,686,952	44,074	52,233	2,783,259

#### Hire purchase agreements

Included within the net book value of £2,597,744 is £1,161,323 (2001 - £1,157,740) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £131,705 (2001 - £103,383).

### 8. DEBTORS

	30 Apr 03 £	31 Oct 01 (restated) £
Trade debtors	468,956	680,110
Other debtors	28,104	36,409
	<b>497,060</b>	<b>716,519</b>



# WESTCOUNTRY CRANE HIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### 9. CREDITORS: Amounts falling due within one year

	30 Apr 03	31 Oct 01 (restated)
	£	£
Bank loans and overdrafts	534,660	338,834
Trade creditors	85,675	170,121
Corporation tax	105,000	133,000
Other taxation and social security	42,108	124,665
Hire purchase agreements	349,012	269,767
Other creditors	212,447	407,246
	<u>1,328,902</u>	<u>1,443,633</u>

The bank loans and overdrafts are secured liabilities.

### 10. CREDITORS: Amounts falling due after more than one year

	30 Apr 03	31 Oct 01 (restated)
	£	£
Bank loans and overdrafts	161,846	705,595
Hire purchase agreements	542,310	628,787
	<u>704,156</u>	<u>1,334,382</u>

The bank loans and overdrafts are secured liabilities.

### 11. DEFERRED TAXATION

	30 Apr 03	Year to 31 Oct 01 (restated)
	£	£
The movement in the deferred taxation provision during the period was:		
Provision brought forward	360,206	339,077
Profit and loss account movement arising during the period	(19,083)	21,129
Provision carried forward	<u>341,123</u>	<u>360,206</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	30 Apr 03	31 Oct 01 (restated)
	£	£
Excess of taxation allowances over depreciation on fixed assets	341,123	360,206
	<u>341,123</u>	<u>360,206</u>

# WESTCOUNTRY CRANE HIRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 NOVEMBER 2001 TO 30 APRIL 2003

### 12. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2003 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	30 Apr 03	31 Oct 01 (restated)
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>8,500</u>	<u>—</u>

### 13. SHARE CAPITAL

#### Authorised share capital:

	30 Apr 03	31 Oct 01 (restated)
	£	£
99,800 Ordinary shares of £1 each	99,800	99,800
100 A Shares shares of £1 each	100	100
100 B Shares shares of £1 each	100	100
	<u>100,000</u>	<u>100,000</u>

#### Allotted, called up and fully paid:

	30 Apr 03		31 Oct 01	
	No	£	No	£
Ordinary shares of £1 each	10,000	10,000	10,000	10,000
A Shares shares of £1 each	46	46	—	—
B Shares shares of £1 each	1	1	1	1
	<u>10,047</u>	<u>10,047</u>	<u>10,001</u>	<u>10,001</u>

A new issue of A shares was made in the period. 46 A shares were issued at par and fully paid. These shares carry no voting powers.

### 14. PROFIT AND LOSS ACCOUNT

	30 Apr 03	Year to 31 Oct 01 (restated)
	£	£
Original balance brought forward	994,047	208,754
Prior year adjustment (note 5)	(360,206)	—
Restated balance brought forward	633,841	208,754
Retained profit for the financial period	<u>219,422</u>	<u>425,087</u>
Balance carried forward	<u>853,263</u>	<u>633,841</u>