

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## FINANCIAL STATEMENTS

for the year ended

31 December 2006



Company Registration No 3764839

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## DIRECTORS AND OFFICERS

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### DIRECTORS

S Stefanou (Chairman)  
R N Johnson

### SECRETARY

S G Harvey

### COMPANY NUMBER

3764839 (England and Wales)

### REGISTERED OFFICE

John Doyle House  
Little Burrow  
Welwyn Garden City  
Herts AL7 4SP

### AUDITORS

Baker Tilly UK Audit LLP  
Chartered Accountants  
1<sup>st</sup> Floor  
46 Clarendon Road  
Watford  
Herts  
WD17 1JJ

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The company re-registered as a private limited company on 4 May 2006 and changed its name to John Doyle Holdings Limited on 6 July 2006

The directors submit their report and the financial statements of John Doyle Holdings Limited for the year ended 31 December 2006

### PRINCIPAL ACTIVITIES

The principal activities of the company were that of immediate parent of a construction group

### BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The results for the year are set out on page 5

The trading (loss)/profit for the year after taxation was £(1,075,602) (2005 £1,786,712)

### DIVIDENDS

The directors paid an interim dividend amounting to £Nil (2005 £1,700,000) and do not recommend payment of a final dividend

### DIRECTORS

The following directors have held office since 1 January 2006 -

S Stefanou  
R G Williams (resigned 5 May 2006)  
R N Johnson

### CHARITABLE DONATIONS

During the year the company made charitable contributions totalling £Nil (2005 £69,190)


### AUDITORS

The Directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the relevant provisions. Baker Tilly UK Audit LLP has indicated its willingness to continue in office

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors in office on the date of this report have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

By order of the board



R N Johnson  
Director

28 June 2007

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 and of the profit or loss for that period. 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 and loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- d 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 requirements of 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.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JOHN DOYLE HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 15

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

## **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and 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).

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**

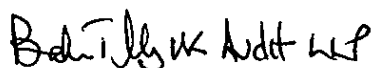
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31 December 2006 and of its loss for the year then ended and 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.



BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants  
1<sup>st</sup> Floor  
46 Clarendon Road  
Watford  
Herts  
WD17 1JJ

11 July 2007

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2006

	Notes	2006	2005
		£	£
TURNOVER	1	(52,262)	3,176,645
Cost of sales		-	-
Gross profit		(52,262)	3,176,645
Other operating expenses (net)	2	1,570,472	3,467,159
OPERATING LOSS		(1,622,734)	(290,514)
Investment income	3	186,757	2,106,295
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		(1,435,977)	1,815,781
Interest payable	4	-	1,212
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(1,435,977)	1,814,569
Taxation	7	(360,375)	27,857
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	(1,075,602)	1,786,712

Turnover and operating loss are derived from the company's continuing operations

No separate statement of Total Recognised gains or losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

*The notes on pages 8 to 15 form part of these financial statements.*

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## BALANCE SHEET

31 December 2006

	Notes	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	9	80,000	2,323,112
Investments	10	8,949,673	9,081,556
		<u>9,029,673</u>	<u>11,404,668</u>
<b>CURRENT ASSETS</b>			
Debtors	11	4,750,012	3,989,538
Cash at bank and in hand		5,344,242	7,100,388
		<u>10,094,254</u>	<u>11,089,926</u>
<b>CREDITORS</b> Amounts falling due within one year	12	5,886,462	8,181,527
<b>NET CURRENT ASSETS</b>		<u>4,207,792</u>	<u>2,908,399</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,237,465</u>	<u>14,313,067</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	9,750,000	9,750,000
Share premium	14	4,433,448	4,433,448
Profit and loss account	14	(945,983)	129,619
<b>SHAREHOLDERS' FUNDS</b>	15	<u>13,237,465</u>	<u>14,313,067</u>

The financial statements on pages 5 to 15 were approved by the board of directors and authorised for issue on 28 June 2007 and are signed on its behalf by



R N Johnson

*The notes on pages 8 to 15 form part of these financial statements.*

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain assets in accordance with applicable accounting standards

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of John Doyle Group plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

### INVESTMENT PROPERTIES

Investment properties are revalued annually by the directors in accordance with statement of Standard Accounting Practice No 19. No depreciation is provided on freehold investment properties. This is a departure from the Companies Act 1985, concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be separately identified or quantified.

### INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

### 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements. Deferred tax is recognised in the Statement of Total Recognised Gains and Losses on revaluations where at the balance sheet date there is an agreement to sell the asset. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

### TURNOVER

Turnover is defined as the value of goods and services rendered excluding VAT.

### FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to Profit and Loss Account.



# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

### 1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and loss before taxation were all derived from its principal activity wholly undertaken in the United Kingdom

2	OTHER OPERATING EXPENSES (NET)	2006 £	2005 £
	Administrative expenses	1,569,250	3,671,643
	Other operating income	(1,222)	(204,484)
		<u>1,570,472</u>	<u>3,467,159</u>

3	INVESTMENT INCOME	2006 £	2005 £
	Income from listed fixed asset investments	793	1,869
	Other investment income	118,635	341,426
	Dividend income	67,330	1,763,000
		<u>186,757</u>	<u>2,106,295</u>

4	INTEREST PAYABLE	2006 £	2005 £
	On bank loans and overdrafts	-	1,212
		<u>-</u>	<u>1,212</u>

### 5 (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting)

Depreciation and amounts written off tangible fixed assets			
	charge for the year		
	owned assets	35,809	64,825
Auditors' remuneration and expenses			
	Audit services	4,500	9,000
	Non-audit services	3,000	3,000
		<u>7,500</u>	<u>12,000</u>

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

### 6 EMPLOYEES

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

	2006 No	2005 No
Administration	23	24
Directors	4	2
	<hr/>	<hr/>
	27	26
	<hr/>	<hr/>

Staff costs for the above persons

	2006 £	2005 £
Wages and salaries	515,113	1,343,427
Social security costs	58,856	145,675
Other pension costs	20,333	187,577
	<hr/>	<hr/>
	594,302	1,676,679
	<hr/>	<hr/>

### DIRECTORS' REMUNERATION

	£	£
Emoluments for qualifying services	228,361	773,087
Company pension contributions to money purchase schemes	5,320	113,430
	<hr/>	<hr/>
	233,681	886,517
	<hr/>	<hr/>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2005 3)

	£	£
Emoluments disclosed above include the following amounts paid to the highest paid director		
Emoluments for qualifying services	136,459	395,383
Company pension contributions to money purchase schemes	-	100,000
	<hr/>	<hr/>

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

7	TAXATION	2006 £	2005 £
	Domestic current year tax		
	U K corporation tax	-	31,965
	Adjustment for prior years	(131,275)	(4,108)
	Group relief receipt	(229,100)	-
		<u></u>	<u></u>
	Current tax charge	(360,375)	27,857
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	(1,435,977)	1,814,569
		<u></u>	<u></u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2005 30%)	(430,793)	544,371
		<u></u>	<u></u>
	Effects of		
	Non deductible expenses	96,411	25,463
	Capital allowances in excess of depreciation	12,139	5,436
	Adjustments to previous periods	9,004	(4,108)
	Other tax adjustments	(26,937)	(14,405)
	Group income not taxable	(20,199)	(528,900)
		<u></u>	<u></u>
		70,418	(516,514)
		<u></u>	<u></u>
	Current tax charge	(360,375)	27,857
		<u></u>	<u></u>
8	DIVIDENDS	2006 £	2005 £
	Ordinary		
	Interim paid £Nil (2005 £0 17)	-	1,700,000
		<u></u>	<u></u>

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

### 9 TANGIBLE FIXED ASSETS

	<i>Investment Properties</i> £	<i>Freehold land and buildings</i> £	<i>Fixtures, fittings &amp; equipment</i> £	<i>Total</i> £
Cost or valuation				
1 January 2006	80,000	2,260,000	365,757	2,705,757
Additions	-	-	13,066	13,066
Transfers	-	(2,260,000)	(378,823)	(2,638,823)
31 December 2006	80,000	-	-	80,000
Depreciation				
1 January 2006	-	183,021	199,623	382,644
Charged in the year	-	14,446	21,363	35,809
Transfers	-	(197,467)	(220,986)	(418,453)
31 December 2006	-	-	-	-
Net book value				
31 December 2006	80,000	-	-	80,000
31 December 2005	80,000	2,076,979	166,134	2,323,113

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

### 10 FIXED ASSET INVESTMENTS

	<i>Listed Investments</i>	<i>Unlisted Investments</i>	<i>Shares in subsidiary undertakings</i>	<i>Total</i>
	£	£	£	£
Cost				
1 January 2006	35,369	40,125	9,006,062	9,081,556
Additions	-	-	109,900	109,900
Disposals	(35,369)	(40,125)	(308)	(75,802)
Provisions	-	-	(165,981)	(165,981)
	<hr/>	<hr/>	<hr/>	<hr/>
31 December 2006	-	-	8,949,673	8,949,673
	<hr/>	<hr/>	<hr/>	<hr/>

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

#### Holdings of more than 20%

The company holds more than 20% of the share capital in the following companies

<i>Company</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Business</i>
Bell Projects Limited	Ordinary	100%	Building contractors
Blythewood Plant Hire Limited	Ordinary	100%	Plant hire
Ibex Europe Limited	Ordinary	100%	Dormant
Ibex Interiors Limited	Ordinary	100%	Refurbishment & fit-out
John Doyle Civil Engineering Limited	Ordinary	100%	Dormant
John Doyle Construction Limited	Ordinary	100%	Construction
John Doyle Development Limited	Ordinary	100%	Property Investment
John Doyle Leasing Limited	Ordinary	100%	Vehicle Leasing
John Doyle Plant Limited	Ordinary	100%	Dormant
John Doyle Properties Limited	Ordinary	100%	Dormant

All of the above companies are registered in England and Wales

**John Doyle Holdings Limited (formerly John Doyle Group plc)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2006

11	DEBTORS	2006 £	2005 £
	Due within one year		
	Amounts owed by subsidiary undertakings	4,277,342	3,025,342
	Other debtors	472,670	548,689
	Prepayments	-	415,507
		<u>4,750,012</u>	<u>3,989,538</u>
12	CREDITORS Amounts falling due within one year	2006 £	2005 £
	Bank overdrafts	12,787	3,517,850
	Trade creditors	-	211,521
	Corporation tax	-	31,965
	Other taxation and social security costs	-	55,494
	Other creditors	1,000	10,545
	Accruals and deferred income	-	379,879
	Amounts owed to subsidiary undertakings	5,872,675	3,974,273
		<u>5,886,462</u>	<u>8,181,527</u>
	The bank overdrafts are secured by a fixed charge on the freehold land and buildings and a floating charge over all current and future assets of the group		
13	SHARE CAPITAL	2006 £	2005 £
	Authorised		
	13,500,000 ordinary shares of £1 each	<u>13,500,000</u>	<u>13,500,000</u>
	Allotted, issued and fully paid		
	9,750,000 ordinary shares of £1 each	<u>9,750,000</u>	<u>9,750,000</u>

# John Doyle Holdings Limited (formerly John Doyle Group plc)

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2006

### 14 STATEMENT OF MOVEMENTS ON RESERVES

	<i>Share Premium</i> £	<i>Profit &amp; loss</i> £	<i>Total</i> £
1 January 2006	4,433,448	129,619	4,563,067
Retained loss for the year	-	(1,075,602)	(1,075,602)
	<u>4,433,448</u>	<u>(945,983)</u>	<u>3,487,465</u>
31 December 2006	4,433,448	(945,983)	3,487,465

### 15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
(Loss)/profit for the financial year	(1,075,602)	1,786,712
Dividends	-	(1,700,000)
	<u>(1,075,602)</u>	<u>86,712</u>
Net (reduction in)/addition to shareholders' funds	(1,075,602)	86,712
Opening shareholders' funds	14,313,067	14,226,355
	<u>14,313,067</u>	<u>14,226,355</u>
Closing shareholders' funds	13,237,465	14,313,067
	<u>13,237,465</u>	<u>14,313,067</u>

### 16 CONTINGENT LIABILITIES

The company has a cross guarantee arrangement with its principal bankers and a group VAT registration. Although no liability exists at the balance sheet date under these amendments, set out below is the company's maximum contingent exposure as a member of a group of companies.

	2006 £	2005 £
Overdraft of group undertakings	3,168,538	-
	<u>3,168,538</u>	<u>-</u>
VAT liability	1,691,451	375,067
	<u>1,691,451</u>	<u>375,067</u>

### 17 PENSION COMMITMENTS

The company operates a defined contribution pension scheme whose assets are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £20,333 (2005 £187,577).

John Doyle Holdings Limited (formerly John Doyle Group plc)  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

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18 CONTROL

The parent undertaking is John Doyle Group plc

There is no ultimate controlling party