

JOHN MARTIN DEVINE LIMITED
AND ITS SUBSIDIARY
REPORT AND ACCOUNTS
FOR THE YEAR ENDED
30TH SEPTEMBER 1996

1349863



JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

COMPANY NUMBER : 1349863 (ENGLAND AND WALES)

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTOR

J M DEVINE

SECRETARY

P DEVINE

REGISTERED OFFICE

**HIGHFIELD
ST PAULS ROAD
HEATON MOOR
STOCKPORT
SK4 4RY**

AUDITORS

**HOBAN NELSON LANG
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
NATIONAL WESTMINSTER HOUSE
21/23 STAMFORD NEW ROAD
ALTRINCHAM
CHESHIRE
WA14 1BN**

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

REPORT OF THE DIRECTOR

The Director has pleasure in submitting his Report and the Audited Accounts for the year ended 30th September 1996.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE PROSPECTS

The Company carries on the business of Tipper and Lorry Hire.

The Director is of the opinion that the business will continue to operate in a satisfactory manner in the future.

RESULTS AND DIVIDENDS

- (a) The Group made a net profit after taxation and minority interests of £75,268 (1995 - £64,672).
- (b) The director recommends the payment of dividends of £48,000 (1995 - £25,000)

DIRECTOR

The following Director held office throughout the year. His interest in the shares of the Group Companies were as follows:-

		John Martin Devine Limited 1996 and 1995	John Devine and Sons Limited 1996 and 1995
J M Devine	£1 Ordinary Share	100	1

FIXED ASSETS

The movements in tangible fixed assets are given in note 7 to the accounts. There were group additions of £14,400 in the year.

AUDITORS

Messrs. Hoban Nelson Lang of National Westminster House, 21/23 Stamford New Road, Altrincham, Cheshire, WA14 1BN the Company's Auditors have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of The Board

P. Devine
P DEVINE
SECRETARY

25th July 1997

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

**DIRECTOR'S RESPONSIBILITIES IN RESPECT OF
THE PREPARATION OF THE ACCOUNTS**

Company law requires the director to prepare group accounts for each financial year which give a true and fair view of the state of affairs of the group and company and of the profit or loss of the Group for that period. In preparing those accounts, the director is required to:

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY**

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND AUDITORS

As described on page 2 the company's director is 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 director 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 as at 30th September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hoban Nelson Lang
.....

HOBAN NELSON LANG
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

NATIONAL WESTMINSTER HOUSE
21/23 STAMFORD NEW ROAD
ALTRINCHAM
CHESHIRE
WA14 1BN

25th July 1997

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER 1996

	1996 Note	£	1995 £
Turnover	2	462,225	660,578
Cost of Sales		263,959	437,238
		<hr/>	<hr/>
Gross Profit		198,266	223,340
Operating Expenses	3	94,026	127,545
		<hr/>	<hr/>
Operating Profit		104,240	95,795
Interest Receivable		1,792	-
		<hr/>	<hr/>
Interest Payable and Similar Charges	5	106,032 5,586	95,795 8,396
		<hr/>	<hr/>
Profit on Ordinary Activities before Taxation	3	100,446	87,399
Taxation	6	24,585	21,845
		<hr/>	<hr/>
Profit on Ordinary Activities after Taxation		75,861	65,554
Profit Attributable to Minority Equity Interest		593	882
		<hr/>	<hr/>
Profit for the year after Minority Interests		75,268	64,672
Dividend Paid on Equity Shares		48,000	25,000
		<hr/>	<hr/>
Retained Profit Attributable to Shareholders Of John Martin Devine Limited		27,268	39,672
Group Retained Earnings Brought Forward		190,545	150,873
		<hr/>	<hr/>
Balance Carried Forward		217,813 =====	190,545 =====

None of the Group's activities were acquired or discontinued during 1996 and 1995.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE
YEAR ENDED 30TH SEPTEMBER 1996

There were no recognised gains or losses in 1996 or 1995 other than the profit for the year. The notes on pages 7 to 14 form part of these accounts.

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET AT 30TH SEPTEMBER 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Tangible Assets	7	146,211	165,540
CURRENT ASSETS			
Debtors	9	85,147	141,253
Cash at Bank and in Hand		79,874	26,006
		<u>165,021</u>	<u>167,259</u>
CREDITORS : Amounts falling due within one year	10	72,841	89,370
NET CURRENT ASSETS		<u>92,180</u>	<u>77,889</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		238,391	243,429
CREDITORS : Amounts falling due after one year	11	-	(38,099)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	12	(19,000)	(13,800)
MINORITY EQUITY INTERESTS		(1,478)	(885)
		<u>217,913</u>	<u>190,645</u>
CAPITAL AND RESERVES			
Called up Share Capital	13	100	100
Profit and Loss Account	14	217,813	190,545
SHAREHOLDERS' FUNDS	15	<u>217,913</u>	<u>190,645</u>

The notes on pages 7 to 15 form part of these accounts

J. Devine) J M DEVINE (DIRECTOR)

These accounts were approved by the Director on 25th July 1997.

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

COMPANY BALANCE SHEET AT 30TH SEPTEMBER 1996

	Note	1996	1995
		£	£
FIXED ASSETS			
Tangible Assets	7	137,184	164,216
Investment	8	97	97
		<hr/>	<hr/>
		137,281	164,313
CURRENT ASSETS			
Debtors	9	84,359	68,444
Cash at Bank and in Hand		7,743	19,575
		<hr/>	<hr/>
		92,102	88,019
CREDITORS : Amounts falling due within one year	10	40,255	38,291
		<hr/>	<hr/>
NET CURRENT ASSETS		51,847	49,728
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		189,128	214,041
CREDITORS : Amounts falling due after one year	11	-	(38,099)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	12	(19,000)	(13,800)
		<hr/>	<hr/>
TOTAL ASSETS (LESS LIABILITIES)		170,128	162,142
		=====	=====
CAPITAL AND RESERVES			
Called up Share Capital	13	100	100
Profit and Loss Account	14	170,028	162,042
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	15	170,128	162,142
		=====	=====

The notes on pages 7 to 15 form part of these accounts

...*J. Devine*.....) J M DEVINE (DIRECTOR)

These accounts were approved by the Director on 25th July 1997.

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention.

BASIS OF CONSOLIDATION

The group accounts consolidate the accounts of the company and its subsidiary. The accounts of each company in the group have been prepared to 30th September 1996. All intra-group profits are eliminated on consolidation. The profit attributable to members of the holding company is stated after deducting the proportion attributable to outside shareholders.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Plant and Lorries	15 % per annum
Fixtures and Fittings	10 % per annum
Motor Vehicles	25 % per annum
Office Equipment	15 % per annum

DEFERRED TAXATION

Deferred taxation is the tax attributable to timing differences between profits or losses computed for tax purposes and results as stated in the accounts. Deferred taxation is provided to the extent it is probable that a liability or asset will crystallise and not provided to the extent that it is probable that a liability or asset will not crystallise. Unprovided deferred taxation is disclosed as a contingent liability. Deferred taxation is provided at the rate at which it is estimated that the tax will be paid when the timing differences reverse.

HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

Fixed assets financed under hire purchase or finance leases are accounted for as fixed assets with the capital element also being treated as a creditor. The hire purchase and lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the creditor and the interest element is charged to profit in proportion to the reducing capital element outstanding.

Hire purchase assets are depreciated over their expected useful life while finance lease assets are depreciated over the shorter of the lease term and their expected useful life.

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS (CONTINUED)

OPERATING LEASES

Costs in respect of operating leases are charged to profits on a straight line basis over the lease term.

DEFINED CONTRIBUTIONS SCHEMES

The pensions charge against profits represents the amount of contributions payable to the pension schemes for the director and employees in respect of the accounting period.

2. TURNOVER

Turnover represents the amounts invoiced in respect of goods sold and services provided during the year, excluding value added tax. The turnover and pre-tax profit are attributable to the principal activity of the company.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1996 £	1995 £
This is stated after charging:		
Director's Emoluments (including pension contributions)	23,712	26,916
Auditors' Remuneration	5,130	4,500
Depreciation	25,970	43,498
Profit on Disposal of Fixed Assets	(25,355)	(23,547)
	=====	=====

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

4. STAFF COSTS AND EMPLOYEES

Details of staff costs including the Director were as follows :

	1996 £	1995 £
Wages and Salaries	79,372	96,165
Social Security Costs	5,634	9,005
Pension Scheme Costs	10,848	13,175
	<hr/>	<hr/>
	95,854	118,345
	=====	=====

The average number of employees during the year was as follows:

Office and Management	3	3
Transport	6	6
	===	===

5. INTEREST PAYABLE

	1996 £	1995 £
On Bank Loans and Overdrafts wholly repayable within five years	20	39
Other	5,566	8,357
	<hr/>	<hr/>
	5,586	8,396
	=====	=====

6. TAXATION

	1996 £	1995 £
Corporation Tax at 24%/25% (1995 25%) on profits for the year	19,385	17,745
Deferred Taxation	5,200	4,100
	<hr/>	<hr/>
	24,585	21,845
	=====	=====

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY
NOTES TO THE ACCOUNTS

7. TANGIBLE FIXED ASSETS

A) MOVEMENTS - THE GROUP

COST	Plant & Lorries £	Fixtures & Fittings £	Office Equipment £	Motor Vehicles £	Total £
At 01.10.95	279,668	1,324	2,221	22,198	305,411
Additions	-	320	2,595	27,571	30,486
Disposals	(58,000)	-	-	(20,491)	(78,491)
At 30.09.96	<u>221,668</u>	<u>1,644</u>	<u>4,816</u>	<u>29,278</u>	<u>257,406</u>
	=====	=====	=====	=====	=====
DEPRECIATION					
At 01.10.95	126,849	900	1,321	10,801	139,871
Charge for the year	20,585	247	722	4,416	25,970
Disposals	(47,150)	-	-	(7,496)	(54,646)
At 30.09.96	<u>100,284</u>	<u>1,147</u>	<u>2,043</u>	<u>7,721</u>	<u>111,195</u>
	=====	=====	=====	=====	=====
NET BOOK VALUE					
At 30.09.96	<u>121,384</u>	<u>497</u>	<u>2,773</u>	<u>21,557</u>	<u>146,211</u>
	=====	=====	=====	=====	=====
At 30.09.95	<u>152,819</u>	<u>424</u>	<u>900</u>	<u>11,397</u>	<u>165,540</u>
	=====	=====	=====	=====	=====

B) MOVEMENTS - THE COMPANY

COST	Plant & Lorries £	Motor Vehicles £	Total £
At 01.10.95	279,668	22,198	301,866
Additions	-	14,400	14,400
Disposals	(58,000)	(14,995)	(72,995)
At 30.09.96	<u>221,668</u>	<u>21,603</u>	<u>243,271</u>
	=====	=====	=====
DEPRECIATION			
At 01.10.95	126,849	10,801	137,650
Charge for the year	20,585	2,498	23,083
Disposals	(47,150)	(7,496)	(54,646)
At 30.09.96	<u>100,284</u>	<u>5,803</u>	<u>106,087</u>
	=====	=====	=====
NET BOOK VALUE			
At 30.09.96	<u>121,384</u>	<u>15,800</u>	<u>137,184</u>
	=====	=====	=====
At 30.09.95	<u>152,819</u>	<u>11,397</u>	<u>164,216</u>
	=====	=====	=====

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

7. TANGIBLE FIXED ASSETS (CONTINUED)

C) ASSETS ON FINANCE

Fixed Assets held under hire purchase agreements are as follows:-

	Cost £	1996 Depn. £	Cost £	1995 Depn. £
Plant and Lorries	80,000	20,000	120,000	16,000
Motor Vehicles	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	80,000	20,000	120,000	16,000
	=====	=====	=====	=====

These figures are the same for the group and the company.

8. INVESTMENTS

	£
Shares in subsidiary company at 30th September 1996	97
	=====

Details of the investment in the group and company is noted below.
The company is registered in England and Wales.

NAME OF COMPANY	DESCRIPTION OF SHARE	PRINCIPAL ACTIVITY	PROPORTION OF SHARES HELD
John Martin and Sons Limited	£1 Ordinary Share	Tipper and Lorry Hire	97%

9. DEBTORS

	The Group 1996 £	1995 £	The Company 1996 £	1995 £
Trade Debtors	84,630	139,767	388	388
Other Debtors	517	1,486	320	320
Amounts owed by Subsidiary Company	-	-	83,651	67,736
	<hr/>	<hr/>	<hr/>	<hr/>
	85,147	141,253	84,359	68,444
	=====	=====	=====	=====

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

10.CREDITORS : Amounts falling due within
one year

	The Group		The Company	
	1996	1995	1996	1995
	£	£	£	£
Instalments on Hire Purchase				
Loans and Finance Leases	21,907	29,385	21,907	29,385
Trade Creditors	17,048	27,447	-	-
Corporation Tax Payable				
1.7.97	7,385	15,495	2,593	5,782
ACT Payable	12,000	-	12,000	-
Other Taxes and Social				
Security Costs	7,716	9,969	750	750
Directors Loan Account	908	1,197	908	277
Accruals	5,877	5,877	2,097	2,097
	<hr/>	<hr/>	<hr/>	<hr/>
	72,841	89,370	40,255	38,291
	=====	=====	=====	=====

11.CREDITORS : Amounts falling due after
one year

	The Group & The Company	
	1996	1995
	£	£
Instalments on hire purchase loans and finance leases (due in 1 or 2 years)	-	32,432
Instalments on hire purchase loans and finance leases (due in 2 or 5 years)	-	5,667
	<hr/>	<hr/>
	-	38,099
	=====	=====

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

12.DEFERRED TAXATION

Deferred taxation at 25% has been fully provided for the group as noted below. This is all deferred taxation provided for the company.

	1996	1995
	£	£
Accelerated Capital Allowance	19,000	13,800
	=====	=====

The movement on deferred taxation was as follows:

	£
Balance at 1st October 1995	13,800
Transfer profit and loss account	5,200

Balance at 30th September 1996	19,000
	=====

13.SHARE CAPITAL

	Authorised		Issued and Fully Paid	
	1996	1995	1996	1995
	£	£	£	£
Ordinary Shares of £1 each	1000	1000	100	100
	=====	=====	=====	=====

14.PROFIT AND LOSS ACCOUNT

	SUBSI- DIARIES £	HOLDING COMPANY £	TOTAL £
Balance Brought Forward	28,503	162,042	190,545
Retained Profit for the year	19,282	7,986	27,268
	-----	-----	-----
	47,785	170,028	217,813
	=====	=====	=====

The holding company has taken advantage of section 230 (3) of the Companies Act 1985 and has not included its own profit and loss account in these accounts. The holding company's profit for the year is disclosed above.

JOHN MARTIN DEVINE LIMITED AND ITS SUBSIDIARY

NOTES TO THE ACCOUNTS

15.RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	The Group		The Company	
	1996	1995	1996	1995
	£	£	£	£
Profit for the year after taxation and minority interest	75,268	64,672	55,986	36,169
Dividends Paid	48,000	25,000	48,000	25,000
	<hr/>	<hr/>	<hr/>	<hr/>
Retained Profit for the year	27,268	39,672	7,986	11,169
Opening Shareholders Funds	190,545	150,873	162,142	150,973
	<hr/>	<hr/>	<hr/>	<hr/>
Closing shareholders funds	217,813	190,545	170,128	162,142
	=====	=====	=====	=====

Shareholders funds are all attributable to equity interests.

16.PENSION COMMITMENTS

The group makes contributions on behalf of the director to a small self administered defined contribution scheme and the employees to insured defined contribution schemes. The group's commitment is limited to its annual contribution. At 30th September 1996 this had been provided in full.