

PETER BENNIE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012



PETER BENNIE LIMITED

COMPANY INFORMATION

Directors	E Ayres M Langhorn
Company secretary	N D Lantsbery
Company number	01210683
Registered office	The Old Piggeries Cranford Road Burton Latimer Kettering Northamptonshire NN15 5TB
Auditor	PKF (UK) LLP Regent House Clinton Avenue Nottingham NG5 1AZ
Bankers	HSBC Bank plc 15 High Street Market Harborough Leicestershire LE16 7NN

PETER BENNIE LIMITED

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PETER BENNIE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and the financial statements for the year ended 31 March 2012

Principal activities

The company is principally engaged in the marketing and distribution of stone, quarrying, contracting, road haulage and plant hire

Business review

The directors are disappointed with the performance of the company and its position at the year end

The sales of aggregates nationwide have fallen dramatically and this is having consequential effects on both past and future results

Results

The loss for the year, after taxation, amounted to £448,315 (2011 - loss £271,594)

Directors

The directors who served during the year were

E Ayres
M Langhorn

Key performance indicators

- 1 Turnover and gross margins are key measures of the company's performance. The market place for the year to 31 March 2012 declined as a result of the global recession, sales for the year were £5.7m (2011 - £7.6m) and the gross margin was 5% loss (2011 - 0.5% loss)
- 2 Overall profitability is a key indicator of the company's performance. The loss before tax for the year was disappointing at a loss of £752k (2011 - £485k)

Financial instruments

The company uses various financial instruments, these include cash, secured overdraft facilities, finance lease arrangements and various items such as trade debtors and trade creditors that arise directly from its operations

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below

Interest rate risk

The company's exposure to market risk for the changes in interest rates relates primarily to the company's bank overdraft facility and finance leases. The company exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities, which will fluctuate according to levels of working capital required

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. Our policy has been to have sufficient facilities available to maintain short term flexibility. The maturity of borrowings is set out in the notes to the financial statements

PETER BENNIE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

Credit risk

The company's principal financial assets are cash and trade debtors

The principal credit risk lies with trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

This report was approved by the board and signed on its behalf



E Ayres
Director

Date 20 August 2012

PETER BENNIE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions, to 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 2006. 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.

PETER BENNIE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER BENNIE LIMITED

We have audited the financial statements of Peter Bennie Limited for the year ended 31 March 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

PETER BENNIE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER BENNIE LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us,
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

PKF (UK) LLP

Richard Wilson (Senior statutory auditor)
for and behalf of PKF (UK) LLP, Statutory auditor
Nottingham, UK

22.8.12

PETER BENNIE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
TURNOVER	1,2	5,746,569	7,609,709
Cost of sales		(6,041,805)	(7,649,284)
GROSS LOSS		(295,236)	(39,575)
Administrative expenses		(434,185)	(418,460)
OPERATING LOSS	3	(729,421)	(458,035)
Interest receivable and similar income		45	44
Interest payable and similar charges	6	(22,477)	(27,060)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(751,853)	(485,051)
Tax on loss on ordinary activities	7	303,538	213,457
LOSS FOR THE FINANCIAL YEAR	16	(448,315)	(271,594)

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

The notes on pages 8 to 18 form part of these financial statements

PETER BENNIE LIMITED
REGISTERED NUMBER: 01210683

BALANCE SHEET
AS AT 31 MARCH 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	8		2,091,339		3,364,141
CURRENT ASSETS					
Stocks	10	451,737		440,385	
Debtors	11	1,208,351		2,771,306	
Cash in hand		-		277	
			<u>1,660,088</u>		<u>3,211,968</u>
CREDITORS: amounts falling due within one year	12		<u>(7,128,477)</u>		<u>(9,199,203)</u>
NET CURRENT LIABILITIES			<u>(5,468,389)</u>		<u>(5,987,235)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(3,377,050)</u>		<u>(2,623,094)</u>
CREDITORS amounts falling due after more than one year	13		(96,136)		(287,692)
PROVISIONS FOR LIABILITIES					
Deferred tax	14		<u>(121,927)</u>		<u>(236,012)</u>
NET LIABILITIES			<u><u>(3,595,113)</u></u>		<u><u>(3,146,798)</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		4,100,100		4,100,100
Profit and loss account	16		<u>(7,695,213)</u>		<u>(7,246,898)</u>
SHAREHOLDERS' DEFICIT	17		<u><u>(3,595,113)</u></u>		<u><u>(3,146,798)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



E Ayres
 Director

Date 20 August 2012

The notes on pages 8 to 18 form part of these financial statements

PETER BENNIE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

In view of the trading losses for the period to 31 March 2012 and the company having net current liabilities of £5,468,389 (2011 - £5,987,235) and net liabilities of £3,595,113 (2011 - £3,146,798), the directors have undertaken a review of the business to establish that the going concern basis continues to be appropriate

The directors have prepared detailed profit and loss, balance sheet and cashflow forecasts through to August 2013 for all businesses in the group as the banking facilities are provided on a group basis

The group is forecast to generate operating cashflows which are sufficient to meet its trading and financing obligations within its banking facilities for the foreseeable future, and therefore the ultimate parent company Bennie Holdings Limited has pledged group support to this company Accordingly the directors consider it is appropriate to have prepared these accounts on a going concern basis

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006 These financial statements therefore present information about the company as an individual undertaking and not about its group

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts Revenue is recognised when goods and services are supplied except in relation to long term contracts

1.4 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses

Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract Revenues derived from variations on contracts are recognised only when they have been accepted by the customer Full provision is made for losses on all contracts in the year in which they are first foreseen

Amounts recoverable on long term contracts, included under debtors comprises any excess of cumulative work done for a contract over cumulative payments on account for that contract and after provision for any losses

PETER BENNIE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	50 years straight line
Quarries	-	5 to 15 years straight line
Plant and machinery	-	2 to 20 years straight line
Road vehicles	-	6 to 8 years straight line

Freehold land is not depreciated.

Assets under construction are not depreciated until they are brought into use.

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

PETER BENNIE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES (continued)

1.11 Pensions

Defined contribution pension scheme

The pension costs charged against operating profits are the contributions payable to the scheme in respect of the accounting period

Defined benefit pension scheme

The group operates a defined benefit scheme for the benefit of its employees. It is not, however, possible to separately identify the company's share of the underlying assets and liabilities of this scheme. Consequently, contributions made by the company have been treated as contributions to a defined contribution scheme.

Further details and disclosures on this group defined benefit scheme are given in note 19 to the financial statements.

1.12 Group relief

It is the group's normal policy to charge for tax losses surrendered by way of group relief at the rate prevailing at the end of the financial period in respect of which relief is given.

2. TURNOVER

An analysis of turnover by class of business is as follows

	2012 £	2011 £
Quarrying and stone	2,015,608	2,478,074
Contracting	774,412	1,267,928
Road haulage and plant hire	2,193,959	1,542,465
Restoration	853,475	2,522,390
Less internal sales	(90,885)	(201,148)
	<u>5,746,569</u>	<u>7,609,709</u>

All turnover in 2012 and 2011 arose within the United Kingdom

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

3. OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	205,810	353,857
- held under finance leases	219,324	226,848
Auditor's remuneration	10,000	10,000
Operating lease rentals		
- plant and machinery	2,756	-
Profit on disposal of fixed assets	(73,246)	(103,525)
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2011 - £NIL)

4. STAFF COSTS

Staff costs were as follows

	2012 £	2011 £
Wages and salaries	1,132,302	1,428,224
Social security costs	102,652	133,502
Other pension costs	52,016	48,653
	<u> </u>	<u> </u>
	<u>1,286,970</u>	<u>1,610,379</u>

The average monthly number of employees, including the directors, during the year was as follows

	2012 No.	2011 No.
Administration	5	9
Operations	33	42
	<u> </u>	<u> </u>
	<u>38</u>	<u>51</u>

5. DIRECTORS' REMUNERATION

Directors emoluments are paid by other group companies

6. INTEREST PAYABLE

	2012 £	2011 £
On finance leases and hire purchase contracts	22,477	27,060
	<u> </u>	<u> </u>

The interest on the bank overdraft is paid by the company's parent undertaking under a group composite arrangement

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

7. TAXATION

	2012 £	2011 £
Analysis of tax credit in the year		
Current tax (see note below)		
Group taxation relief	<u>(189,453)</u>	<u>(80,797)</u>
Deferred tax (see note 14)		
Origination and reversal of timing differences	<u>(114,085)</u>	<u>(132,660)</u>
Tax on loss on ordinary activities	<u><u>(303,538)</u></u>	<u><u>(213,457)</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 26% (2011 - 28%) The differences are explained below

	2012 £	2011 £
Loss on ordinary activities before tax	<u>(751,853)</u>	<u>(485,051)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	<u>(195,482)</u>	<u>(135,814)</u>
Effects of:		
Expenses not deductible for tax purposes	6,510	1,446
Capital allowances for year in excess of depreciation and impairment	(481)	(26,589)
Losses carried forward	-	80,160
Current tax credit for the year (see note above)	<u><u>(189,453)</u></u>	<u><u>(80,797)</u></u>

Factors that may affect future tax charges

The company has an unrecognised deferred tax asset at 31 March 2012 of £59,000 (2011 - £142,000) relating to trading losses

The provision for deferred tax is calculated based on the tax rates enacted or substantially enacted at the balance sheet date The Chancellor of the Exchequer announced in his Budget on 21 March 2012 that the rate of corporation tax of 26% will be reduced by 2 percentage points with effect from 1 April 2012 and a further 1 percentage point per year until 2014 when it will remain at 22% As at the balance sheet date, the rate of 24% has been enacted

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant & machinery £	Road vehicles £	Assets under construction £	Quarries £	Total £
Cost						
At 1 April 2011	160,732	4,710,458	1,291,064	59,103	1,730,427	7,951,784
Additions	-	59,894	-	-	-	59,894
Disposals	(12,394)	(1,728,551)	(554,095)	-	-	(2,295,040)
At 31 March 2012	<u>148,338</u>	<u>3,041,801</u>	<u>736,969</u>	<u>59,103</u>	<u>1,730,427</u>	<u>5,716,638</u>
Depreciation						
At 1 April 2011	12,391	2,864,023	588,475	-	1,122,754	4,587,643
Charge for the year	-	289,394	118,234	-	17,506	425,134
On disposals	(12,391)	(974,408)	(400,679)	-	-	(1,387,478)
At 31 March 2012	<u>-</u>	<u>2,179,009</u>	<u>306,030</u>	<u>-</u>	<u>1,140,260</u>	<u>3,625,299</u>
Net book value						
At 31 March 2012	<u>148,338</u>	<u>862,792</u>	<u>430,939</u>	<u>59,103</u>	<u>590,167</u>	<u>2,091,339</u>
At 31 March 2011	<u>148,341</u>	<u>1,846,435</u>	<u>702,589</u>	<u>59,103</u>	<u>607,673</u>	<u>3,364,141</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2012 £	2011 £
Plant and machinery	457,424	943,113
Road vehicles	394,806	468,355
	<u>852,230</u>	<u>1,411,468</u>

Included in land and buildings is freehold land of £148,338 (2011 - £148,338) which is not depreciated

PETER BENNIE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

9. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Rutland Recycling Services Limited	Ordinary	75%

At 31 March 2012, the company held 75% (2011 - 75%) of the allotted share capital of Rutland Recycling Services Limited, a company incorporated in England and Wales. Rutland Recycling Services Limited was dormant for the whole of the year ended 31 March 2012.

In view of the trading and balance sheet position of Rutland Recycling Services Limited, the shares were provided against in full in the year to 31 March 2001.

10. STOCKS

	2012 £	2011 £
Raw materials	24,219	3,419
Finished goods and goods for resale	427,518	436,966
	<u>451,737</u>	<u>440,385</u>

11 DEBTORS

	2012 £	2011 £
Trade debtors	425,892	1,385,751
Amounts owed by group undertakings	420,166	760,416
Other debtors	67,117	76,285
Prepayments and accrued income	295,176	124,082
Amounts recoverable on long term contracts	-	424,772
	<u>1,208,351</u>	<u>2,771,306</u>

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

12. CREDITORS:
Amounts falling due within one year

	2012 £	2011 £
Bank overdraft	6,153,861	6,721,115
Net obligations under finance leases and hire purchase contracts	165,419	458,418
Trade creditors	412,840	739,162
Amounts owed to group undertakings	52,297	646,404
Social security and other taxes	75,995	260,647
Other creditors	-	122,942
Accruals and deferred income	268,065	250,515
	<u>7,128,477</u>	<u>9,199,203</u>

The bank overdraft is secured by a fixed and floating charge over all the company's assets and cross guarantees given by group undertakings

Finance lease and hire purchase liabilities are secured on the assets concerned

13. CREDITORS:
Amounts falling due after more than one year

	2012 £	2011 £
Net obligations under finance leases and hire purchase contracts	<u>96,136</u>	<u>287,692</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2012 £	2011 £
Between one and five years	<u>96,136</u>	<u>287,692</u>

Certain assets held under finance leases and similar hire purchase contracts are secured by a cross guarantee provided by the immediate parent company, The Bennie Group Limited

Finance lease and hire purchase liabilities are secured on the assets concerned

14 DEFERRED TAXATION

	2012 £	2011 £
At beginning of year	236,012	368,672
Released during year	(114,085)	(132,660)
At end of year	<u>121,927</u>	<u>236,012</u>

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

14. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	<u>121,927</u>	<u>236,012</u>

15. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
4,100,100 Ordinary shares of £1 each	<u>4,100,100</u>	<u>4,100,100</u>

16. RESERVES

	Profit and loss account £
At 1 April 2011	(7,246,898)
Loss for the year	(448,315)
At 31 March 2012	<u>(7,695,213)</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2012 £	2011 £
Opening shareholders' deficit	(3,146,798)	(2,875,204)
Loss for the year	(448,315)	(271,594)
Closing shareholders' deficit	<u>(3,595,113)</u>	<u>(3,146,798)</u>

18. CONTINGENT LIABILITIES

There is an unlimited multilateral guarantee with other group undertakings in respect of group borrowings which are secured by a fixed and floating charge over all the assets of the company. The amounts subject to this guarantee at 31 March 2012 was £88,039 (2011 - £695,509)

PETER BENNIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

19. PENSION COMMITMENTS

Defined benefit pension scheme

The group operates a multi-employer defined benefit pension scheme for which some of the company's employees are members of. The scheme is closed to new entrants. Accrual of pension benefits and linkage to future salary ceased on 31 March 2009.

The company's employees form only part of the multi-employer scheme operated by the parent undertaking. The allocation of the share of the underlying assets and liabilities in the scheme relating to individual subsidiaries would be extremely complex and not possible to complete on a consistent and reasonable basis. As a result the company has accounted for the scheme as a defined pension contribution scheme in accordance with the provisions of Financial Reporting Standard 17- Retirement Benefits.

The last full valuation was carried out at 6 April 2011 by a qualified actuary. The financial assumptions adopted are that the expected rate of return on investments would be 6.13% (2011 - 6.13%), future pension increases 3.00% (2011 - 3.10%), inflation 2.30% (2011 - 2.80%), and discount rate 4.60% (2011 - 5.50%). On the basis of these assumptions the plans financial statements to 31 March 2012 show a liability after deferred tax of £251,000 (2011 - £1,270,000).

The assets of the scheme are administered by trustees in a fund independent from those of the group.

Further details and disclosures on this group defined benefit scheme are given in the consolidated financial statements of the company's ultimate parent undertaking, Bennie Holdings Limited.

Defined contribution pension scheme

In addition to the above, a group personal pension scheme is operated for the benefit of employees. This is a defined contribution scheme administered by Scottish Equitable, in funds independent from those of the company.

20. OPERATING LEASE COMMITMENTS

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows:

	2012 £	2011 £
Expiry date:		
Within 1 year	-	11,115

PETER BENNIE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

21. RELATED PARTY TRANSACTIONS

The company is part of a group where 100% of its share capital is controlled by that group and consolidated accounts are publicly available, therefore the company has taken advantage of the exemption provisions under FRS 8 Related Party Disclosures from disclosing transactions with other group companies

During the year sales of £143,222 (2011 - £NIL) were made to Premier Groundworks Limited, a company which is under common control. As at the year end, £20,891 (2011 - £NIL) is due from the company and included in trade debtors.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors consider that the parent undertaking of this company and its controlling party by virtue of its 100% ownership of the share capital of this company is The Bennie Group Limited.

The ultimate parent undertaking of this company is Bennie Holdings Limited.

The ultimate controlling party of the company is Mrs E Ayres.

The largest and smallest group of undertakings for which group accounts have been prepared are those of Bennie Holdings Limited. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.