

H WOODWARD AND SON PLC

REPORT AND FINANCIAL STATEMENTS

**for the year ended
31 December 1999**



H WOODWARD AND SON PLC DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the company for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

The company did not trade during the year.

RESULTS AND DIVIDENDS

The financial position of the company is set out in the appended financial statement.

The profit transferred to reserves is £16,153.

The Directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR BENEFICIAL INTEREST IN SHARES

The Directors who served during the year were as follows:

M A Bretherton	
C.P. Whiley	(appointed 19 February 1999)
N.P. List	(resigned 19 February 1999)

M A Bretherton and C.P. Whiley are Directors of the holding company, Bridgend Group PLC, and their share interests are disclosed in that company. None of the Directors had any interest in the shares of the Company at any time during the year.

STATEMENT OF 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 and of the profit and loss of the company for that period. In preparing those financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

H WOODWARD AND SON PLC
DIRECTORS' REPORT

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continued

AUDITORS

The auditors KPMG Audit Plc are willing to continue in office and a resolution for their reappointment as auditors of the company will be submitted to the Annual General Meeting.

By order of the Board



M A Bretherton
Director

9 June 2000



KPMG Audit Plc
P O Box 695
8 Salisbury Square
LONDON EC4Y 8BB

Auditors' report to the members of H Woodward & Son PLC

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

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 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 of the state of the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor

9th June 2000

H WOODWARD AND SON PLC
PROFIT AND LOSS ACCOUNT

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for the year ended 31 December 1999

	Notes	1999 £	1998 £
OPERATING PROFIT		-	-
Interest receivable and similar income		9,702	12,262
		-----	-----
PROFIT BEFORE TAX	2	9,702	12,262
Taxation	3	6,451	-
		-----	-----
PROFIT AFTER TAX		16,153	12,262
Profit and loss account brought forward		(87,466)	(99,728)
		-----	-----
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		(71,313)	(87,466)
		-----	-----

No gains or losses were made during the current and preceding years other than those included in the profit and loss account. Consequently, no statement of recognised gains or losses is included in these financial statements. All the company's activities are discontinued.

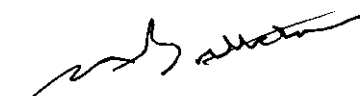
H WOODWARD AND SON PLC
BALANCE SHEET

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for the year ended 31 December 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Investments	4	-	-
		-----	-----
CURRENT ASSETS			
Debtors: Amounts owed after more than one year	5	144,537	273,388
Debtors: Amounts owed within one year	6	126,472	2,919
		-----	-----
		271,009	276,307
CREDITORS: amounts falling due within one year	7	(822)	(22,273)
		-----	-----
NET CURRENT ASSETS		270,187	254,034
		-----	-----
NET ASSETS		263,736	254,034
		=====	=====
CAPITAL AND RESERVES			
Share capital	8	341,500	341,500
Profit and loss account		(71,313)	(87,466)
		-----	-----
SHAREHOLDERS' FUNDS		270,187	254,034
		=====	=====

The financial statements were approved by the Board on 9 June 2000 and signed on its behalf by:


M A Bretherton
 Director

H WOODWARD AND SON PLC
NOTES TO THE FINANCIAL STATEMENTS Continued

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for the year ended 31 December 1999

Continued

1 ACCOUNTING POLICIES

Basis of preparation

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

Consolidation

Consolidation accounts have not been prepared because the company is itself a wholly owned subsidiary of Bridgend Group PLC a company registered in England and Wales.

Cashflow Statement

A cashflow statement has not been prepared because the Company is a wholly owned subsidiary of Bridgend Group PLC. A consolidated cashflow statement is included within the financial statements of that company.

2 AUDITORS' AND DIRECTORS' REMUNERATION

No directors received any emoluments during the year in respect of their service to the company. The company's audit fee is born by the company's ultimate parent, Bridgend Group PLC, and is recorded in the profit and loss account of that company.

3 TAXATION

	1999 £	1998 £
Taxation for the year	-	-
Adjustment relating to prior years	6,451	-
	-----	-----
	6,451	-
	-----	-----

The corporation tax liability for the year will be relieved by group relief from a fellow subsidiary undertaking's losses for which no payment will be made.

H WOODWARD AND SON PLC
NOTES TO THE FINANCIAL STATEMENTS Continued

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for the year ended 31 December 1999

Continued

4 FIXED ASSET INVESTMENTS

Details of investment in subsidiaries are as follows:

	Shares £	Loans £	Total £
Cost			
At 1 January 1999 and 31 December 1999	100	1,234,625	1,234,725
	-----	-----	-----
Provisions			
At 1 January 1999 and 31 December 1999	100	1,234,625	1,234,725
	-----	-----	-----
Net investment			
At 31 December 1999 and 31 December 1998	-	-	-
	=====	=====	=====

The investment in subsidiaries at 31 December 1999 represents the company's interest of 100 £1 ordinary shares in Woodward's Contract Hire Limited, which is wholly owned and has not traded throughout the year.

In the opinion of Directors, the investments in and amounts due from the company's subsidiary undertakings are worth £Nil and have been provided against accordingly.

5 DEBTORS: Amounts owed after more than one year

	1999 £	1998 £
Loan debtor	-	124,000
Amount due from parent undertaking	144,537	149,388
	-----	-----
	144,537	273,388
	=====	=====

The loan debtor of £124,000 (1997: £124,000) is due from Heatons Transport (St Helens) Ltd and was repaid to H Woodward & Son Plc on 15 March 2000 as scheduled. The loan accrued interest at a rate of 2.5% over base paid quarterly in arrears on every 31 March, 30 June, 30 September and 31 December in respect of the then preceding quarter.

H WOODWARD AND SON PLC
NOTES TO THE FINANCIAL STATEMENTS Continued

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for the year ended 31 December 1999

Continued

6. DEBTORS: Amounts owed within one year

	1999	1998
	£	£
Loan debtor	124,000	-
Other debtor	2,472	2,919
	<u>126,472</u>	<u>2,919</u>

7 CREDITORS

	1999	1998
	£	£
Amounts falling due within one year		
Corporation Tax	246	6,697
Accruals	576	15,576
	<u>8223</u>	<u>22,273</u>

8 SHARE CAPITAL

	1999 and 1998	
	Number	£
Authorised		
4.55% cumulative preference shares	25,000	25,000
Ordinary shares of 1p each	5,000,000	50,000
Deferred shares of 12.5p each	2,400,000	300,000
	<u></u>	<u>375,000</u>
Allotted and fully paid		
4.55% cumulative preference shares	17,500	17,500
Ordinary shares of 1p each	2,400,000	24,000
Deferred share of 12.5p each	2,400,000	300,000
	<u></u>	<u>341,500</u>

H WOODWARD AND SON PLC
NOTES TO THE FINANCIAL STATEMENTS Continued

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for the year ended 31 December 1999

Continued

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999	1998
	£	£
Profit for the financial year	9,702	12,262
Opening shareholders' funds	254,034	241,772
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Closing shareholders funds	263,736	254,034
	-----	-----

10 ULTIMATE PARENT UNDERTAKING

Bridgend Group PLC, a company registered in England and Wales, is the Company's ultimate parent undertaking.

Bridgend Group PLC is the parent undertaking of the group of which H Woodward and Son PLC is a member and for which group accounts are drawn up. Copies of those accounts have been delivered to and are available from: Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.