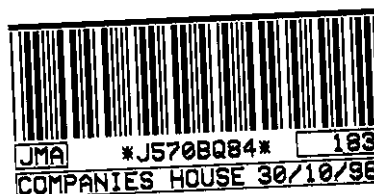


**Weyburn-Bartel Limited**

Company Number 306023

Directors' Report for the Year Ended 31st December 1995

**Activities**

The principal activity of the Company is in the field of precision engineering and involves the manufacture of components for truck, tractor, automobile, marine and stationary engines, as agent for T&N plc

**Directors**

The following served as Directors during (and, unless otherwise indicated, throughout) the year:-

W Bartel  
M Lee  
G H Nicklen  
S P Northedge  
R D Raywood, resigned 31/12/95

**Directors' Interests**

The interests, all beneficial, of the Directors in the share capital of T&N plc comprise:-

				Ordinary Shares						
				31.12.95	31.12.94					
W Bartel				-	-					
M Lee				-	-					
G H Nicklen				-	-					
S P Northedge				-	-					
				-	-					

(1) These options have been granted under the Savings-Related Scheme. All other options have been granted under the Executive Scheme.

None of the directors have any other registered interests in the shares of the Company or any other company in the T&N Group.

**Dividend**

There was no dividend declared in respect of the year ended 31st December 1995.

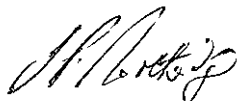
**Weyburn-Bartel Limited**

**Directors' Report for the Year Ended 31st December 1995** (continued)

**Auditors**

The company has satisfied section 250 of the Companies Act 1985 (as amended by section 14 of the Companies Act 1989) and a special resolution not to appoint auditors will be proposed at the forthcoming annual general meeting.

*By Order of the Board*



S P Northedge

**Secretary**

23rd October 1996

WEYBURN BARTEL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires 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 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;
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- \* 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.

WEYBURN BARTEL LIMITED

AUDITORS' REPORT TO THE MEMBERS OF WEYBURN BARTEL LIMITED

We have audited the financial statements on pages 5 to 9.

Respective responsibilities of directors and auditors

As described on page 3 the Company's directors are responsible for the preparation of the 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 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 affairs of the Company as at 31 December 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

28th. October, 1996

KPMG  
Chartered Accountants  
Registered Auditors  
LONDON

WEYBURN BARTEL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1995

	Notes	1995 £000	1994 £000
Income from shares in group undertaking		-	12
Profit on ordinary activities before and after taxation		-	12
Dividend paid		-	(6,248)
Transfer from reserves	8	-	(6,236)

The company has no recognised gains or losses other than the result for the period.

There is no difference between the result as disclosed above and the result given by an unmodified historical cost basis.

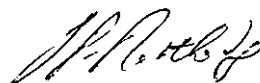
WEYBURN BARTEL LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1995

	Notes	1995 £000	1994 £000
<u>Fixed Assets</u>			
Investments	5	8,747	8,747
<u>Current Assets</u>			
Cash at Bank and in Hand		1	1
Total Assets		8,748	8,748
<u>Creditors: due after more than one year</u>	6	(6,248)	(6,248)
Net Assets		2,500	2,500
<u>Capital and Reserves</u>			
Called up equity share capital	7	2	2
Shareholder's funds			
- equity		2	2
- non equity		2,498	2,498
Total shareholder's funds	8	2,500	2,500

The financial statements on pages 5 to 9 were approved by the Board on 23 October 1996 and were signed on its behalf by:-



S. P. Northedge - Director

WEYBURN BARTEL LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

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

(b) Cash Flow Statement

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

(c) Group Accounts

The Company is exempt under s228 of the Companies Act 1985 from preparing group accounts as it is an intermediate holding company wholly owned by T&N plc, registered in England and Wales. These financial statements present information about Weyburn Bartel Limited as an individual undertaking and not about its group.

2. PROFIT AND LOSS ACCOUNT

The Company has not traded during the year, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss.

3. DIRECTORS

The directors have not received any remuneration for services to the company during the period (1994: £nil).

4. EMPLOYEES

The average number of persons employed by the company during the year was 160 (1994: 155). All costs relating to these employees are paid directly by the ultimate parent company, T&N plc, on whose behalf they are employed.

WEYBURN BARTEL LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENTS

Loan to ultimate parent undertaking	£000
At 31st December 1995	8,747
	<hr/>
At 31st December 1994	8,747
	<hr/>

In addition to the above loan, the Company has a wholly owned subsidiary, E D Parts Limited. The investment is included in the accounts at £2, representing the original cost of two £1 ordinary shares

6. <u>CREDITORS: amounts due after more than one year</u>	1995 £000	1994 £000
Loan from parent undertaking	6,248	6,248
	<hr/>	<hr/>
	6,248	6,248
	<hr/>	<hr/>
7. <u>CALLED UP SHARE CAPITAL</u>	1995 £000	1994 £000
Authorised, issued and fully paid		
4,875 ordinary shares of 50p each	2	2
4,995,000 deferred shares of 50p each	2,498	2,498
	<hr/>	<hr/>
	2,500	2,500
	<hr/>	<hr/>

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	1995 £000	1994 £000
Opening shareholder's funds	2,500	8,736
Profit for the year		12
Dividend paid		(6,248)
Closing shareholder's funds	<u>2,500</u>	<u>2,500</u>



WEYBURN BARTEL LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

9. ULTIMATE PARENT COMPANY

The Company's immediate parent company is Cranhold Limited and the ultimate parent company is T&N plc. Both are registered in England and Wales. Copies of the T&N plc Annual Report and Accounts can be obtained from the Company Secretary at Bowdon House, Ashburton Road West, Trafford Park, Manchester, M17 1RA.

10. COMPOSITE CROSS-GUARANTEE

The Company, its ultimate parent company, and certain of its fellow subsidiaries in the UK have entered into a composite cross-guarantee in relation to the facilities provided by its principal UK banker.