

THE BUTLER MACHINE TOOL COMPANY LIMITED

DIRECTORS' REPORT - 2001

The Directors submit their annual report and balance sheet for the fifty-two weeks ended 31 March 2001.

Directors

The Directors of the Company during the period were as follows:

M J Everett
R S Johnson

None of the Directors held any interests in the Company's shares during the period.

The interests of Mr Everett and Mr Johnson in the ultimate parent company, B Elliott Limited, are shown in the accounts of that company.

Dividend

The Directors recommend that no dividend be paid for the period (2000 - nil).

Insurance

The parent company, B Elliott Limited, has maintained a Directors' and Officers' Liability Insurance policy covering the Directors and Officers of the Company.

Status

The Company did not have any significant accounting transactions during the period.

Elliott House
Victoria Road
London
NW10 6NY

By Order of the Board


R S JOHNSON
Secretary

Registered No: 323217

31 July 2001



THE BUTLER MACHINE TOOL COMPANY LIMITED

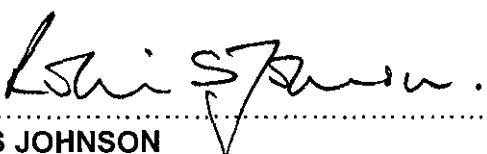
BALANCE SHEET - 31 MARCH 2001

	<u>2001</u> £	<u>2000</u> £
Current Assets		
Debtors (amount due from parent company) interest free and for no fixed period	<u>5,036</u>	<u>5,036</u>
Capital And Reserves		
Share Capital Authorised 2,400,000 Ordinary Shares of 25 pence each	<u>600,000</u>	<u>600,000</u>
Allotted And Fully Paid 1,800,000 Ordinary Shares of 25 pence each	<u>450,000</u>	<u>450,000</u>
Share Premium Account	<u>6,611</u>	<u>6,611</u>
Profit And Loss Account	<u>(451,575)</u>	<u>(451,575)</u>
	<u>5,036</u>	<u>5,036</u>

For the year ended 31 March 2001, the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985. Members have not required the Company to obtain an audit in accordance with section 249B(2).

We acknowledge our responsibilities for ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing financial statements which give a true and fair view of the Company as at the end of the financial year in accordance with the requirements of section 226, and which otherwise comply with the Companies Act 1985 relating to accounts, so far as applicable to the Company.

Approved by the Board on 31 July 2001.



R S JOHNSON
 Director

THE BUTLER MACHINE TOOL COMPANY LIMITED

NOTES TO THE ACCOUNTS

1. Accounting Policies

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

2. Status

The Company did not have any significant accounting transactions during the period and none of the Directors received any emoluments in respect of their services to the Company.

3. Ultimate Parent Company

The ultimate parent company is B. Elliott Limited, a company incorporated in England.

B. Elliott Limited was also the largest undertaking of the group of which the Company is a member and for which group accounts are drawn up. Copies of the B. Elliott Limited accounts are available from Elliott House, Victoria Road, London NW10 6NY.