

Britax Birmingham Limited
Annual report
for the year ended 31 December 1997

Registered no: 326911



Britax Birmingham Limited

Annual report for the year ended 31 December 1997

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**Directors' report
for the year ended 31 December 1997**

The directors present their report and the audited financial statements for the year ended 31 December 1997.

Principal activities

The company has not traded during 1997.

Review of business

The profit and loss account for the year is set out on page 4.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend. The profit for the financial year of £13,880 will be transferred to reserves.

Directors

The directors of the company at 31 December 1997 all of whom (unless otherwise stated) have been directors for the whole of the year ended on that date, are listed below:

R E C Marton	
R Thorne	
P Turnbull	(resigned 1 July 1997)
E T Jones	(appointed 28 February 1997)
S D McCaslin	

R E C Marton, R Thorne and E T Jones are also directors of the ultimate parent company, Britax International plc.

Directors' interests

None of the directors had any beneficial interest, other than in the ordinary course of business, in any contract to which the company was a party during the year.

The directors of the ultimate parent undertaking disclose their interests in the share capital of Britax International plc in the financial statements of that company.

**Directors' report
for the year ended 31 December 1997 (continued)**

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1997. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The company has elected to dispense with annual re-appointment of auditors and in the absence of a specific resolution Coopers & Lybrand will continue in office.

By order of the board



S D McCaslin
for Britax International Services Limited
Company Secretary
30 March 1998

Registered Office
Seton House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DE

Report of the auditors to the members of Britax Birmingham Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are 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.

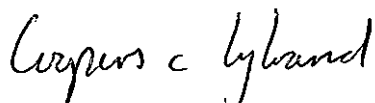
Basis of opinion

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 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 at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand

Chartered Accountants and Registered Auditors
Birmingham
30 March 1998

**Profit and loss account
for the year ended 31 December 1997**

	Notes	1997 £	1996 £
Administrative expenses		29,015	(61,729)
Operating profit/(loss)		29,015	(61,729)
Interest payable	2	(2,126)	-
Profit/(loss) on ordinary activities before taxation	3	26,889	(61,729)
Tax on profit/(loss) on ordinary activities	5	(13,009)	(5,192)
Retained profit/(loss) for the financial year	10	13,880	(66,921)

The operating profit/(loss) relates wholly to discontinued operations.

The company has no recognised gains and losses other than the profits/(losses) above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit/(loss) on ordinary activities before taxation and the retained profit/(loss) for the year stated above, and their historical cost equivalents.

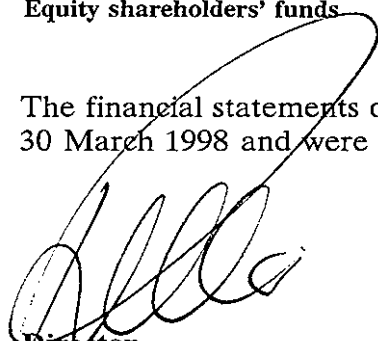
Britax Birmingham Limited

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Balance sheet at 31 December 1997

	Notes	1997 £	1996 £
Current assets			
Debtors	6	-	62,921
Creditors: amounts falling due within one year	7	(3,123,725)	(3,200,526)
		<u>(3,123,725)</u>	<u>(3,137,605)</u>
Capital and reserves			
Called up share capital	8	2,000,000	2,000,000
Profit and loss account	9	(5,123,725)	(5,137,605)
Equity shareholders' funds	10	<u>(3,123,725)</u>	<u>(3,137,605)</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 30 March 1998 and were signed on its behalf by:



Director
R E C Marton

**Notes to the financial statements
for the year ended 31 December 1997****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Deferred taxation

Deferred taxation is calculated on the liability method in respect of timing differences between profits as stated in the financial statements and as computed for tax purposes. Where such timing differences are anticipated to continue for the foreseeable future no provision is made.

Foreign currencies

All transactions denominated in foreign currencies are translated into sterling at the actual rate of exchange ruling on the date of the transaction. Assets and liabilities, including long term liabilities, in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. All exchange differences arising are dealt with in the profit and loss account.

Cash flow statement

A cash flow statement has not been prepared because the company is a wholly owned subsidiary of Britax International plc within whose consolidated cash flow statement the cash flows of the company are included.

2 Interest payable

	1997 £	1996 £
Bank overdraft	<u>2,126</u>	<u>-</u>

**Notes to the financial statements
for the year ended 31 December 1997 (continued)****3 Profit/(loss) on ordinary activities before taxation**

	1997	1996
	£	£
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Auditors remuneration	-	10,636
Exchange gain	<u>29,015</u>	<u>-</u>

Auditors remuneration is borne by the ultimate parent company, Britax International plc.

4 Directors' emoluments

No directors received remuneration from the Company in respect of the years ending 31 December 1997 and 1996.

5 Tax on profit/(loss) on ordinary activities

	1997	1996
	£	£
United Kingdom corporation tax at 31.5% (1996: 33%):		
Current	9,140	-
Under provision in respect of prior years:		
Current	<u>3,869</u>	<u>5,192</u>
	<u>13,009</u>	<u>5,192</u>

6 Debtors

	1997	1996
	£	£
Amounts falling due within one year		
Other debtors	<u>-</u>	<u>62,921</u>

**Notes to the financial statements
for the year ended 31 December 1997 (continued)****7 Creditors: amounts falling due within one year**

	1997 £	1996 £
Bank overdraft	27,560	-
Trade creditors	-	14,259
Amount owed to group undertakings	3,077,478	3,075,476
Corporation tax payable	9,140	-
Accruals and deferred income	9,547	110,791
	<u>3,123,725</u>	<u>3,200,526</u>

8 Called up share capital

	1997 £	1996 £
Authorised		
2,000,000 ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
Allotted, called up and fully paid		
2,000,000 ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>

9 Profit and loss account

	£
At 1 January 1997	(5,137,605)
Retained profit for the financial year	<u>13,880</u>
At 31 December 1997	<u>(5,123,725)</u>

**Notes to the financial statements
for the year ended 31 December 1997 (continued)****10 Reconciliation of movement in shareholders' funds**

	1997 £	1996 £
Opening shareholders' funds	(3,137,605)	(3,070,684)
Profit/(loss) for the financial year	13,880	(66,921)
Closing shareholders' funds	<u>(3,123,725)</u>	<u>(3,137,605)</u>

11 Contingent liabilities

The company is a party to multi-lateral cross guarantee structures in respect of the indebtedness of the ultimate parent undertaking and its UK subsidiaries to Barclays Bank PLC, Midland Bank plc and The Royal Bank of Scotland plc, and intends to execute a similar guarantee to The First National Bank of Chicago.

12 Related party transactions

There were no related party transactions disclosable under FRS8 (Related Party Disclosures).

13 Ultimate and immediate parent undertakings

The company's immediate parent company is Britax International Holdings Limited.

The company's ultimate parent company is Britax International plc.

Copies of the accounts of Britax International plc are available from The Secretary, Seton House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DE.