

Company No: 338492

KIRBY MACLEAN LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2002



Kirby MacLean Limited

Directors

P A Cleaver BSc CEng MICE
P J Scannell BSc FCA
D J O'Grady

Secretary and Registered Office

R Cordeschi ACIS
Roman House, 159 Ravenscroft Road, Beckenham, Kent BR3 4TN

Auditors

Moore Stephens
Chartered Accountants
St Paul's House, Warwick Lane, London, EC4P 4BN

Report of the directors

The directors submit their report and the audited financial statements for the year ended 31 December 2002.

Review of activities

The company has continued its painting, contracting and decorating business.

Results and dividends

The profit for the year after taxation was £117,451 (2001: £97,298). The surplus of £50,336 (2001: £43,628) remaining after deduction of the dividend for the year of £67,115 (2001: £53,670) is taken to reserves.

Directors

The directors holding office at the date of this report are shown above. Sir John Wickerson retired as a director on 4 April 2002.

Directors' interests in the group

Mr P A Cleaver and Mr P J Scannell were directors of the parent company, MANSELL plc, at 31 December 2002 and their interests in the group, as defined by the Companies Act 1985, are set out in the directors' report attached to the financial statements of that company for the year ended 31 December 2002.

The interest of the remaining director in the share capital of MANSELL plc at the beginning and end of the year was as follows:-

Shares

	<u>Ordinary Shares of 25p each</u>	
	<u>1 January 2002</u>	<u>31 December 2002</u>
D J O'Grady	18,550	43,550

Share Options over MANSELL plc ordinary shares of 25 pence each

Director	Scheme	1.1.02	Granted during year	Exercised during year	31.12.02	Exercise price	Dates normally exercisable
D J O'Grady	Company	25,000	-	25,000	-	32p	28.6.99-28.6.06
	Company	-	5,000	-	5,000	145p	16.5.05-16.5.12

No director had any direct interest in the share capital of the company at any time during the year.

Kirby MacLean Limited

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 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 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.

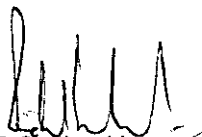
The "Elective Regime"

At the Annual General Meeting held on 24 November 1999, the company adopted a resolution under the terms of Section 379A, Companies Act 1985 (as amended), to take advantage of the full range of procedural relaxations permitted by that provision. Accordingly, no Annual General Meeting is to be held and the accounts will not be laid before the members.

Auditors

The auditors, Moore Stephens, are willing to continue in office.

By order of the board



R Cordeschi
Company Secretary
3 April 2003

Kirby MacLean Limited

Independent Auditors' Report to the Shareholders of Kirby MacLean Limited

We have audited the financial statements of Kirby MacLean Limited for the year ended 31 December 2002 set out on pages 4 to 16. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 6.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 1985. 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

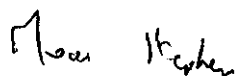
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Moore Stephens

Chartered Accountants and Registered Auditors

3 April 2003

Kirby MacLean Limited
Profit and loss account
for the year ended 31 December 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
Turnover	1(b)	1,812,512	1,878,668
Cost of sales		(1,335,258)	(1,463,930)
Gross profit		477,254	414,738
Administrative expenses		(315,744)	(283,929)
Operating profit	2	161,510	130,809
Net interest	4	6,277	3,365
Profit on ordinary activities before taxation		167,787	134,174
Taxation	5	(50,336)	(36,876)
Profit on ordinary activities after taxation		117,451	97,298
Dividends	6	(67,115)	(53,670)
Retained profit	13	£ 50,336	£ 43,628

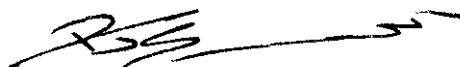
During 2001 and 2002 the results were derived wholly from continuing operations.

The company has no recognised gains or losses other than the retained profit for the year shown above and therefore no separate statement of total recognised gains and losses has been presented.

Kirby MacLean Limited
Balance sheet at 31 December 2002

Fixed assets	<u>Note</u>	<u>2002</u>	<u>2001</u>
Tangible fixed assets	7	38,891	49,387
Current assets			
Stocks	8	24,794	24,665
Debtors due within one year	9	415,013	465,107
Debtors due after more than one year	9	1,231	1,231
Cash at bank and in hand	10	360,839	141,515
		801,877	632,518
Creditors: amounts falling due within one year	11	(494,825)	(386,298)
Net current assets		307,052	246,220
Total assets less current liabilities		<u>£ 345,943</u>	<u>£ 295,607</u>
Capital and reserves			
Called up share capital	12	70,630	70,630
Profit and loss account	13	275,313	224,977
Equity shareholders' funds	14	<u>£ 345,943</u>	<u>£ 295,607</u>

The financial statements on pages 4 to 16 were approved by the board of directors on 3 April 2003



P J Scannell
Director

Kirby MacLean Limited

Notes to the financial statements

1. Principal accounting policies

(a) Basis of accounting

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

(b) Turnover

Turnover is the value of work executed during the year in respect of contracting together with the invoiced value of sales in respect of other activities excluding VAT.

(c) Depreciation

Fixed assets are stated at cost less accumulated depreciation calculated to write off the cost over the estimated useful life using the following rates.

Plant and equipment	25% on cost
Motor vehicles	20% on cost
Office furniture and fixtures	25% on cost

(d) Recognition of contract profit

Profit on long term contracts is recognised over the life of each contract in proportion to the value of work carried out but only to the extent that the total eventual profit on the contract can be foreseen with reasonable certainty. Losses are provided for as soon as foreseen.

(e) Stocks and long term contracts

Stocks and work in progress are stated at the lower of net realisable value or cost including attributable overheads where appropriate. Long term contracts are stated at cost, net of amounts transferred to cost of sales, after deducting provision for foreseeable losses and payments on account. Where turnover differs from invoiced progress payments the balance is included in debtors or creditors as appropriate.

(f) Deferred taxation

Timing differences are provided in full to comply with Financial Reporting Standard 19.

(g) Pensions

Pension costs are charged to the profit and loss account on a systematic basis over the periods benefiting from the employees' services.

(g) Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the term of the lease. Assets held under finance leases are included in the fixed assets and the capital element of the commitment is shown under creditors.

(i) Cash flow statement

The company is a wholly owned subsidiary of MANSELL plc and is included in the consolidated financial statements of MANSELL plc, which are publicly available. The company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised).

Kirby MacLean Limited

Notes to the financial statements

2. Operating profit	<u>2002</u> £	<u>2001</u> £
Operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	14,683	11,752
Profit on disposal of tangible assets	-	(1,000)
Charges under operating leases - property	9,000	9,000
- plant and machinery	3,020	6,804
Auditors' remuneration - audit	6,000	6,000
	<hr/>	<hr/>

3. Directors and employees	<u>2002</u> £	<u>2001</u> £
Staff costs	494,884	485,349
Social Security costs	37,650	38,250
Other pension costs	24,115	19,369
	<hr/>	<hr/>
	£ 556,649	£ 542,968
	<hr/>	<hr/>

The average number of staff employed by the company during the year was:

	<u>2002</u>	<u>2001</u>
Operational	20	20
Administrative	7	7
	<hr/>	<hr/>
	27	27
	<hr/>	<hr/>

Staff costs include the following emoluments in respect of the qualifying services of the directors of the company:

	<u>2002</u>	<u>2001</u>
For management services	£ 67,946	£ 66,219
	<hr/>	<hr/>

Retirement benefits are accruing to one director under a defined benefits scheme.

4. Net interest	<u>2002</u>	<u>2001</u>
Interest receivable on bank balances	£ 6,277	£ 3,365
	<hr/>	<hr/>

Kirby MacLean Limited
Notes to the financial statements

5.	Taxation	<u>2002</u>	<u>2001</u>		
	United Kingdom Corporation tax based on the profits for the year as adjusted for taxation purposes at a rate of 30.0% (2001: 30.0%)	50,336	39,887		
	Deferred taxation	-	(1,231)		
	Over provision in prior year	-	(1,780)		
		<hr/>	<hr/>		
		£ 50,336	£ 36,876		
		<hr/>	<hr/>		
	Tax reconciliation				
	Average United Kingdom Corporation tax rate	30%	30%		
	Expenses not deductible for tax purposes	-	1%		
	Other timing differences	-	(2%)		
	Adjustment in respect of prior years	-	(1%)		
		<hr/>	<hr/>		
	Effective current tax rate on profit on ordinary activities before tax	30%	28%		
		<hr/>	<hr/>		
6.	Dividends	<u>2002</u>	<u>2001</u>		
		Pence per share	Total £	Pence per share	Total £
	Interim dividend, paid	17.70	12,500	-	-
	Interim dividend, proposed	77.32	54,615	76.00	53,670
		<hr/>	<hr/>	<hr/>	<hr/>
		95.02	£ 67,115	76.00	£ 53,670
		<hr/>	<hr/>	<hr/>	<hr/>

Kirby MacLean Limited
Notes to the financial statements

7. Tangible fixed assets		Total
Cost		£
At 1 January 2002		117,975
Additions		4,187
Transferred to fellow subsidiaries		-
Disposals		(1,200)
		<hr/>
At 31 December 2002		120,962
		<hr/>
Depreciation		
At 1 January 2002		68,588
Charge for the year		14,683
Transferred to fellow subsidiaries		-
On disposals		(1,200)
		<hr/>
At 31 December 2002		82,071
		<hr/>
Net book value		
At 31 December 2002		38,891
		<hr/> <hr/>
At 31 December 2001		49,387
		<hr/> <hr/>
All fixed assets relate to plant, equipment and vehicles.		
8. Stocks	<u>2002</u>	<u>2001</u>
Raw materials and consumables	£ 24,794	£ 24,665
	<hr/>	<hr/>
9. Debtors	<u>2002</u>	<u>2001</u>
Due within one year:		
Trade debtors	201,543	264,459
Amounts recoverable on contracts	205,782	185,347
Other debtors	7,188	9,524
Prepayments and accrued income	500	5,777
	<hr/>	<hr/>
	£ 415,013	£ 465,107
	<hr/>	<hr/>
Due after more than one year:		
Deferred taxation	1,231	1,231
	<hr/>	<hr/>
	£ 416,244	£ 466,338
	<hr/> <hr/>	<hr/> <hr/>

Kirby MacLean Limited
Notes to the financial statements

10. Cash at bank and in hand	<u>2002</u>	<u>2001</u>
Cash at bank and in hand	£ 360,839	£ 141,515
	<hr/>	<hr/>
11. Creditors: amounts falling due within one year	<u>2002</u>	<u>2001</u>
Trade creditors	318,994	206,457
Owed to group undertakings	56,221	57,101
Corporation tax	26,337	16,887
Other taxation and social security	51,437	73,741
Other creditors	67	85
Accruals and deferred income	41,769	32,027
	<hr/>	<hr/>
	£ 494,825	£ 386,298
	<hr/>	<hr/>
12. Called up share capital	<u>2002</u>	<u>2001</u>
Ordinary shares of £1 each		
Authorised	£ 100,000	£ 100,000
	<hr/>	<hr/>
Allotted and called up equity fully paid	£ 70,630	£ 70,630
	<hr/>	<hr/>
13. Profit and loss account	<u>2002</u>	<u>2001</u>
At 1 January	224,977	181,349
Retained profit for the financial year	50,336	43,628
	<hr/>	<hr/>
At 31 December	£ 275,313	£ 224,977
	<hr/>	<hr/>
14. Equity shareholders' funds	<u>2002</u>	<u>2001</u>
Profit on ordinary activities after taxation	117,451	97,298
Dividend	(67,115)	(53,670)
	<hr/>	<hr/>
	50,336	43,628
Opening equity shareholders' funds	295,607	251,979
	<hr/>	<hr/>
Closing equity shareholders' funds	£ 345,943	£ 295,607
	<hr/>	<hr/>

Kirby MacLean Limited
Notes to the financial statements

15. Commitments under operating leases

At 31 December 2002, the company was committed to making the following payments during the next year in respect of operating leases:

	<u>2002</u>		<u>2001</u>	
	<u>Property</u>	<u>Plant and machinery</u>	<u>Property</u>	<u>Plant and Machinery</u>
Operating leases expiring:				
Within one year	-	2,750	-	-
Within two to five years	9,000	3,000	9,000	5,376
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 9,000	£ 5,750	£ 9,000	£ 5,376
	<hr/>	<hr/>	<hr/>	<hr/>

16. Contingent liabilities

The company has a contingent liability in respect of guarantees given to support performance bonds and borrowings of its ultimate parent company, fellow subsidiaries and subsidiary undertakings amounting to £31.4 million (2001: £32.3 million).

17. Related party transactions

The company has taken advantage of the exemptions provided by Financial Reporting Standard 8 (Related Party Disclosures) in not disclosing transactions with other group companies where there is a common ownership interest in excess of 90%.

18. Parent undertakings

The immediate parent undertaking is MANSELL Maintenance Services Limited. The ultimate parent undertaking is MANSELL plc which is incorporated in Great Britain and registered in England and Wales. Copies of the financial statements of MANSELL plc may be obtained from the Company Secretary, MANSELL plc, Roman House, Grant Road, Croydon CR9 6BU.

19. Pension arrangements

Kirby MacLean Limited participates in the MANSELL plc group pension schemes. It is not possible to separate the pension schemes' assets and liabilities relating to this subsidiary, nor is it practical to separate the employees into each plan, the overall group note is therefore included in the financial statements of each subsidiary.

The total number of employees included in the schemes of MANSELL plc is 1,005 and in respect of this subsidiary the number of employees is 8.

The group operates two funded defined benefit schemes in the UK, known as the MANSELL plc Pension Scheme and the Hall & Tawse Retirement Benefit Plan, and two money purchase schemes known as the MANSELL Maintenance Limited Group Personal Pension Plan and the Network Plant (Midlands) Executive Pension Plan. The assets of all the schemes are held separately from those of the group in independently administered funds.

In accordance with the Pensions Act 1995, full independent actuarial valuations of the group's defined benefit schemes are carried out every three years.

Kirby MacLean Limited

Notes to the financial statements

19. Pension arrangements (continued)

The pension cost figures used in these accounts comply with the current pension cost accounting standard, Statement of Standard Accounting Practice 24 ("SSAP 24"). A new pension cost accounting standard, Financial Reporting Standard 17 ("FRS 17"), must be used for the figures that will be shown in the accounts at 31 December 2005 and subsequent years. Under transitional arrangements, the company is required to disclose additional information about the schemes and the figures that would have been shown under FRS 17 in this year's balance sheet and profit and loss account. This additional information is given in separate paragraphs below.

The MANSELL plc scheme was closed to new members from 31 December 2001, and the Hall & Tawse plan has been closed to new members since 1 July 1998.

Under the projected unit method, the current service cost of the closed schemes is expected to increase as the average age of the employed members increases.

MANSELL plc Pension Scheme – SSAP 24 information

The most recent independent actuarial valuation of the scheme was carried out at 31 July 2002 and used the projected unit method. The key financial assumptions adopted were:

Investment return before retirement	6.9% p.a.
Investment return after retirement	5.15% p.a.
Rate of increase in pensionable earnings	4.0% p.a.
Rate of increase in pensions in payment	
Pension accrued before 6 April 1997	3.0% p.a.
Pension accrued after 5 April 1997	3.4% p.a.
Price inflation	2.5% p.a.

The valuation showed that the market value of the scheme's assets was £27.8 million and that the market value of those assets represented 65% of the benefits that had accrued to members on an ongoing funding basis.

At 31 July 2002 under the MFR basis, the scheme's assets represented 93% of the benefits that had accrued to members. At 31 December 2002, the scheme's assets were estimated to be 89% of the benefits that had accrued to members on the MFR basis.

In accordance with actuarial advice, the company increased its contributions from 11% to 13% of pensionable earnings on 1 January 2002 and from 13% to 21.6% of pensionable earnings on 1 March 2003.

Employee contributions were increased by 1% with effect from 1 March 2002.

The group pension charge for the year ended 31 December 2002 was £3,176,000 (2001: £2,145,000). A provision of £250,000 (2001: £nil) is included in provisions for liabilities and charges in the parent company accounts, this being the excess of the accumulated pension cost over the amount funded, in accordance with Statement of Standard Accounting Practice 24.

The valuation showed that the market value of the plan's assets was £87.0 million and that the market value of those assets represented approximately 97% of the benefits that had accrued to members on an ongoing funding basis.

Kirby MacLean Limited

Notes to the financial statements

19. Pension arrangements (continued)

Hall & Tawse Retirement Benefit Plan – SSAP 24 information

The most recent independent actuarial valuation of the plan was carried out at 31 March 2002 and used the projected unit method. The key financial assumptions adopted were:

Investment returns	6.0% p.a.
General pensionable earnings increases	4.0% p.a.
Pension increases	2.5% p.a.
Price inflation	2.5% p.a.

At 31 March 2002 under the MFR basis the plan's assets represented 104% of the benefits that had accrued to members. At 31 December 2002 the scheme's assets were estimated to be 87% of the benefits that had accrued to members on the MFR basis.

In accordance with actuarial advice, the company increased its contribution to 15% of pensionable earnings from 10.9% with effect from 1 February 2002 and to 19.9% of pensionable earnings from 15% on 1 September 2002.

Employee contributions were increased by 1% with effect from 1 March 2002.

The group pension charge for the year ended 31 December 2002 was £1,344,000 (2001: £1,022,000).

MANSELL plc Pension Scheme - FRS 17 additional information

The most recent actuarial valuation for the MANSELL plc Pension Scheme was carried out at 31 July 2002. This valuation has been updated to 31 December 2002 by a qualified independent actuary. The financial assumptions used by the actuary to calculate the scheme's liabilities were:

	At 31 December 2002	At 31 December 2001
Rate of increase in pensionable earnings	3.75%	3.75%
Rate of increase in deferred pensions during deferment	2.25%	2.25%
Rate of increase in pensions in payment		
Pension accrued before 6 April 1997	3.00%	3.00%
Pension accrued after 5 April 1997	3.40%	3.40%
Discount rate	5.60%	6.00%
Price inflation	2.25%	2.25%

At 31 December 2002 the assets in the scheme and the expected rates of return (net of expenses) were:

	2002		2001	
	Expected long term rate of return	Value £'000	Expected long term rate of return	Value £'000
Equities	7.80%	21,177	7.0%	23,863
Bonds	4.20%	5,922	4.6%	5,760
Other	3.25%	474	3.5%	105
Total market value of assets		27,573		29,728
Present value of scheme liabilities		(46,877)		(38,224)
Deficit in the scheme		(19,304)		(8,496)
Related deferred tax asset		5,791		2,549
Net pension liability		(13,513)		(5,947)

Kirby MacLean Limited

Notes to the financial statements

19. Pension arrangements (continued)

Hall & Tawse Retirement Benefit Plan - FRS 17 additional information

The most recent actuarial valuation for the Hall & Tawse Retirement Benefit Plan was carried out at 31 March 2002. This valuation has been updated to 31 December 2002 by a qualified independent actuary. The financial assumptions used by the actuary to calculate the scheme's liabilities were:

	At 31 December 2002	At 31 December 2001
Rate of increase in pensionable earnings	3.75%	3.75%
Rate of increase in deferred pensions during deferment	2.25%	2.25%
Rate of increase in pensions in payment	2.25%	2.25%
Discount rate	5.60%	6.00%
Price inflation	2.25%	2.25%

At 31 December 2002 the assets in the scheme and the expected rates of return (net of expenses) were:

	<u>2002</u>		<u>2001</u>	
	Expected long term rate of return	Value £'000	Expected long term rate of return	Value £'000
Equities	8.0%	44,920	7.5%	51,400
Bonds	4.6%	27,410	5.1%	33,150
Other	3.5%	1,400	5.0%	1,550
Total market value of assets		<u>73,730</u>		<u>86,100</u>
Present value of scheme liabilities		<u>(93,700)</u>		<u>(89,300)</u>
Deficit in the scheme		<u>(19,970)</u>		<u>(3,200)</u>
Related deferred tax asset		<u>5,991</u>		<u>960</u>
Net pension liability		<u>(13,979)</u>		<u>(2,240)</u>

Additional FRS17 disclosures

The following disclosures show the effects upon the balance sheet and profit and loss account that would arise if the requirements of FRS17 were recognised in the financial statements.

	<u>2002</u>		<u>2001</u>	
	£'000	£'000	£'000	£'000
Net assets				
Net assets excluding pension liability		20,046		18,843
Pension liabilities:				
MANSELL plc Pension Scheme	(13,513)		(5,947)	
Hall & Tawse Retirement Benefit Plan	(13,979)		(2,240)	
		<u>(27,492)</u>		<u>(8,187)</u>
Net (liabilities) / assets including pension liability		<u>(7,446)</u>		<u>10,656</u>
Profit and loss reserve				
Profit and loss reserve excluding pension liability		2,780		3,550
Pension liabilities:				
MANSELL plc Pension Scheme	(13,513)		(5,947)	
Hall & Tawse Retirement Benefit Plan	(13,979)		(2,240)	
		<u>(27,492)</u>		<u>(8,187)</u>
Profit and loss deficit including pension liability		<u>(24,712)</u>		<u>(4,637)</u>

Kirby MacLean Limited

Notes to the financial statements

19. Pension arrangements (continued)

Analysis of the amount charged to operating profit

	MANSELL plc Pension Scheme £'000	Hall & Tawse Retirement Benefit Plan £'000
Year to 31 December 2002		
Service cost	1,966	1,470
Past service cost	184	-
	<u>2,150</u>	<u>1,470</u>

Analysis of net return on pension scheme

	MANSELL plc Pension Scheme £'000	Hall & Tawse Retirement Benefit Plan £'000
Year to 31 December 2002		
Expected return on pension scheme assets	2039	5,570
Interest on pension liabilities	(2,362)	(5,250)
	<u>(323)</u>	<u>320</u>

Analysis of amount recognised in statement of total recognised gains and losses

	MANSELL plc Pension Scheme £'000	Hall & Tawse Retirement Benefit Plan £'000
Year to 31 December 2002		
Actual return less expected return on assets	(7,264)	(15,444)
Experience (loss)/gain on liabilities	(137)	3,880
Changes in assumptions	(3,860)	(5,400)
	<u>(11,261)</u>	<u>(16,964)</u>

Movement in deficit during the year

	MANSELL plc Pension Scheme £'000	Hall & Tawse Retirement Benefit Plan £'000
Year to 31 December 2002		
Deficit in scheme at beginning of year	(8,496)	(3,200)
Movement in year:		
Current service cost	(1,966)	(1,470)
Contributions	2,926	1,344
Past service costs	(184)	-
(Interest cost)net return on assets	(323)	320
Actuarial loss	(11,261)	(16,964)
Deficit in scheme at end of year	<u>(19,304)</u>	<u>(19,970)</u>

Kirby MacLean Limited
Notes to the financial statements

19. Pension arrangements (continued)

History of experience gains and losses

Year to 31 December 2002	MANSELL plc Pension Scheme	Hall & Tawse Retirement Benefit Plan
Difference between expected and actual return on scheme assets:		
Amount (£'000)	(7,264)	(15,444)
Percentage of scheme assets	(26)%	(21)%
Experience gains and losses on scheme liabilities:		
Amount (£'000)	(137)	3,880
Percentage of scheme liabilities	0%	4%
Total amount recognised in the statement of total recognised gains and losses:		
Amount (£'000)	(11,261)	(16,964)
Percentage of scheme liabilities	(24)%	(18)%