

TKR INTERNATIONAL LIMITED

Report and Accounts

31 December 1997



Registration number 341757

TKR International Limited

Directors' report

The directors submit their report with the financial statements of the company for the year ended 31 December 1997.

Principal activities and business review

The company did not trade during the current or preceding financial year.

Directors

The directors who served during the year were as follows:

Coach House Management Services Limited
Baker Street Corporate Services Limited

No director had any interest in the shares of the company.

Directors' interests

The company has arranged liability insurance for its directors and officers.

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 the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

TKR International Limited

Directors' report
(continued)

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.

By order of the board



K Lawton
Secretary

68 Baker Street
Weybridge
Surrey, KT13 8AL

19 March 1998

TKR INTERNATIONAL LIMITED
Profit and Loss Account
for the year ended 31 December 1997

	Notes	1997 £ 000	1996 £ 000
Turnover	2	-	9,292
Cost of sales		-	(7,538)
Gross profit		-	1,754
Distribution costs		-	(328)
Administrative expenses		-	(900)
Other operating income		-	2
Operating profit	3	-	528
Interest payable	6	-	(169)
Profit on ordinary activities before taxation		-	359
Taxation on profit on ordinary activities	7	-	(109)
Profit on ordinary activities after taxation		-	250
Retained profit for the year	11	-	250

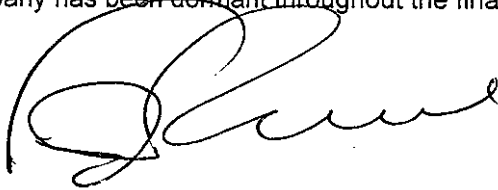
Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

TKR INTERNATIONAL LIMITED
Balance Sheet
as at 31 December 1997

	Notes	1997 £ 000	1996 £ 000
Current assets			
Debtors	8	990	990
Creditors: amounts falling due within one year	9	(109)	(109)
Net current assets		<u>881</u>	<u>881</u>
Total assets less current liabilities		<u>881</u>	<u>881</u>
		<u>881</u>	<u>881</u>
Capital and reserves			
Called up share capital	10	2,384	2,384
Profit and loss account	11	(1,503)	(1,503)
Shareholders' funds:			
Equity		815	815
Non-equity		66	66
	12	<u>881</u>	<u>881</u>

The company has been dormant throughout the financial year.



E J Price
Director

* representing Coach House Management Services Limited
Approved by the board on 19 March 1998

TKR INTERNATIONAL LIMITED

Notes to the Accounts

at 31 December 1997

1 Accounting policies

Accounting convention

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

No cashflow statement has been presented as the company is a wholly owned subsidiary of Charles Baynes plc whose consolidated financial statements include a consolidated cash flow statement dealing with the cash flows of the group.

Turnover

Turnover represents the amount (excluding value added tax) derived from the provision of goods and services to customers during the year.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent that it is probable that an actual liability will crystallise in the foreseeable future.

Research and development expenditure.

Expenditure on research and development is written off against profits in the year in which it is incurred.

Pensions

The company participates in a group money purchase pension scheme. Contributions are charged to the profit and loss account in the year in which they are payable

Related party transactions

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with group undertakings on the grounds that it is a wholly owned subsidiary of Charles Baynes plc and its results are included in Charles Baynes plc's consolidated financial statements.

2 Turnover

Turnover is derived from the activity which is undertaken in Great Britain, and is analysed by destination as follows:

	1997 £ 000	1996 £ 000
United Kingdom	-	6,946
Rest of Europe	-	2,313
North America	-	33
	<hr/>	<hr/>
	-	9,292

TKR INTERNATIONAL LIMITED
Notes to the Accounts
at 31 December 1997

3 Operating profit	1997	1996
	£ 000	£ 000
This is stated after charging:		
Operating lease rentals - plant and machinery	-	19
Operating lease rentals - land buildings	-	295
Auditors' remuneration	-	13
	<hr/>	<hr/>
4 Directors' emoluments	1997	1996
	£ 000	£ 000
Emoluments	-	197
Company contributions to money purchase pension schemes	-	33
	<hr/>	<hr/>
	-	230
	<hr/>	<hr/>
5 Staff costs	1997	1996
	£ 000	£ 000
Wages and salaries	-	3,190
Social security costs	-	297
Other pension costs	-	66
	<hr/>	<hr/>
	-	3,553
	<hr/>	<hr/>
Average number of employees during the year		
Production	-	191
Administration	-	23
Selling and distribution	-	3
	<hr/>	<hr/>
	-	217
	<hr/>	<hr/>
6 Interest payable	1997	1996
	£ 000	£ 000
Bank loans and overdrafts	-	85
Other loans	-	84
	<hr/>	<hr/>
	-	169
	<hr/>	<hr/>

TKR INTERNATIONAL LIMITED

Notes to the Accounts

at 31 December 1997

7 Tax on profit on ordinary activities			1997	1996
			£ 000	£ 000
Taxation charge based on the profit for the year:				
UK corporation tax			-	109
Adjustments in respect of prior years:				
UK corporation tax			-	(16)
Deferred taxation			-	16
			<u>-</u>	<u>109</u>
8 Debtors			1997	1996
			£ 000	£ 000
Amounts owed by group undertakings			<u>990</u>	<u>990</u>
9 Creditors: amounts falling due within one year			1997	1996
			£ 000	£ 000
Amounts owed to group undertakings			109	-
Corporation tax			-	109
			<u>109</u>	<u>109</u>
10 Share capital			1997	1996
			£ 000	£ 000
Authorised:				
Deferred ordinary shares of 25p each			2,318	2,318
Ordinary shares of 1p each			66	66
			<u>2,384</u>	<u>2,384</u>
	1997	1996	1997	1996
	No '000	No '000	£ 000	£ 000
Allotted, called up and fully paid:				
Deferred ordinary shares of 25p	9,272	9,272	2,318	2,318
Ordinary shares of 1p each	6,600	6,600	66	66
	<u>15,872</u>	<u>15,872</u>	<u>2,384</u>	<u>2,384</u>

TKR INTERNATIONAL LIMITED
Notes to the Accounts
at 31 December 1997

11 Profit and loss account	1997	1996
	£ 000	£ 000
At 1 January	(1,503)	(1,753)
Retained profit	-	250
At 31 December	<u>(1,503)</u>	<u>(1,503)</u>

12 Reconciliation of movements in shareholders' funds	1997	1996
	£ 000	£ 000
At 1 January	881	631
Profit for the financial year	-	250
At 31 December	<u>881</u>	<u>881</u>

13 Pensions

The company participates in a group money purchase scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. The pension costs represent the contributions payable by the company to the scheme and amounted to Nil (1996: £66,000). All contributions payable were paid during the year.

14 Ultimate parent company

The ultimate parent company is Charles Baynes plc, a company incorporated in Great Britain, and registered in England and Wales. Copies of the financial statements of this company may be obtained from 68 Baker Street, Weybridge, Surrey, KT13 8AL.

15 Country of incorporation

The company is incorporated in Great Britain and is registered in England and Wales.