

Bainbridge Engineering Limited

Directors' Report and Financial Statements

Registered number 00492133

For the period ended 31 December 2001



Directors' report

The directors present their annual report and financial statements for the period ended 31 December 2001.

Business review

The company has not traded during the period.

Directors and their interests

The directors serving during the period were as follows:

D L Grove	(appointed 1 January 2002)
H C Everett	
C J Burr	(appointed 1 January 2002)
AJ Pensom	(resigned 30 September 2001)

None of the directors has any beneficial interest in the shares of the company.

The directors are all directors of the ultimate holding company, Hill & Smith Holdings PLC, and their interests in the shares and share options of that company are shown in its financial statements.

By order of the board



HC Everett
Director

Springvale Business and Industrial Park
Bilston
West Midlands
WV14 OQL

26 March 2002

Balance sheet
as at 31 December 2001

	Note	31 December 2001 £	30 September 2000 £
Current assets			
Debtors: amounts owed by group undertakings		171,500	171,500
		<hr/>	<hr/>
Net assets		171,500	171,500
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	2	152,115	152,115
Share premium account		19,385	19,385
		<hr/>	<hr/>
Equity shareholders' funds		171,500	171,500
		<hr/>	<hr/>

The company has not traded during the period, consequently no profit and loss account has been prepared.

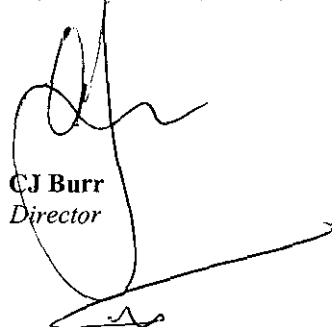
The company was entitled to exemption under Section 249A(1) of the Companies Act 1985 from the requirement to have its financial statements for the financial year ended 31 December 2001 audited.

No notice has been deposited under Section 249B(2) of that Act requiring an audit in relation to the company's financial statements for that financial year.

The directors acknowledge their responsibility for:

- ensuring 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 state of affairs of the company as at the end of the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the board of directors on 26 March 2002 and signed on their behalf by:


CJ Burr
Director

HC Everett
Director

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

Basis of accounting

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

2 Share capital

	31 December 2001 £	30 September 2000 £
<i>Authorised:</i>		
2,000,000 ordinary shares of 10p each	200,000	200,000
	<hr/>	<hr/>
<i>Allotted called up and fully paid:</i>		
1,521,154 ordinary shares of 10p each	152,115	152,115
	<hr/>	<hr/>

3 Related party transactions

The company has taken advantage of the exemption available under FRS8: Related Party Transactions not to disclose transactions that have been made between the company and other fellow subsidiaries of Hill & Smith Holdings PLC.

4 Ultimate parent company

The company's ultimate parent undertaking is Hill & Smith Holdings PLC, a company registered in England. Copies of the Group financial statements may be obtained from group headquarters:

2 Highlands Court
 Cranmore Avenue
 Shirley, Solihull
 B90 4LE