

Bainbridge Engineering Limited

**Directors' report and financial
statements**

Registered number 00492133

For the year ended 30 September 2000



Contents

Directors' report	1
Profit and loss account	3
Balance sheet	4
Note of historical cost profits and losses	5
Reconciliation of movement in shareholders' funds	5
Notes	6

Directors' report

The directors present their annual report and financial statements for the year ended 30 September 2000.

Business review

The company has not traded during the year.

Directors and their interests

The directors serving during the year were as follows:

HC Everett
 AJ Pensom

Mr HC Everett is a director of the ultimate holding company, Hill & Smith Holdings PLC, and his interests in the shares and options of that company are shown in its financial statements.

Mr AJ Pensom held 58,203 shares in Hill & Smith Holdings PLC at 30 September 1999 and 2000. His share options in that company are detailed as follows:

	At 30.9.99	Granted during year	Lapsed during year	At 30.9.00	Exercise price p	Date exercisable	Expiry date	Note No
AJ Pensom	7,666	-	(7,666)	-				
	6,181	-	-	6,181	66.0	1.4.02	10.10.02	1
	17,600	-	-	17,600	113.6	20.2.99	20.2.06	2
	10,000	-	-	10,000	68.5	4.8.02	4.8.09	2
	20,000	-	-	20,000	68.5	4.8.02	4.8.06	3
	<u>61,447</u>	<u>-</u>	<u>(7,666)</u>	<u>53,781</u>				

Note 1: These options were granted under the 1995 Savings Related Share Option Scheme

Note 2: These options were granted under the 1995 Executive Share Option Scheme

Note 3: These options were granted under the 1999 Unapproved Executive Share Option Scheme

By order of the board

GK Miller
 Secretary

Springvale Business and Industrial Park
 Bilston
 West Midlands
 WV14 OQL

23 January 2001

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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.

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.

Profit and loss account
for the year ended 30 September 2000

	<i>Note</i>	2000	1999
		£	£
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Distribution costs		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
Interest payable and similar charges		-	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Profit for the financial year		-	-
Interim dividend paid on equity shares		-	(378,372)
		<hr/>	<hr/>
Transfer from reserves		-	(378,372)
		<hr/>	<hr/>

There were no recognised gains or losses in either the current or preceding years other than those disclosed in the profit and loss account.

Balance sheet
as at 30 September 2000

	<i>Note</i>	2000 £	1999 £
Current assets			
Debtors amounts owed by group undertakings		171,500	171,500
Net assets		171,500	171,500
Capital and reserves			
Called up share capital	2	152,115	152,115
Share premium account		19,385	19,385
Equity shareholders' funds		171,500	171,500

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 30 September 2000 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 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 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 23 January 2001 and signed on their behalf by:



HC Everett
Director

Note of historical cost profits and losses
for the year ended 30 September 2000

	2000 £	1999 £
Reported profit on ordinary activities before taxation	-	-
Realisation of property revaluation gains of previous years	-	366,885
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	-	366,885
	<hr/>	<hr/>
Historical cost loss for the year retained after taxation and dividends		(11,487)
	<hr/>	<hr/>

Reconciliation of movement in shareholders' funds
for the year ended 30 September 2000

	2000 £	1999 £
Profit for the financial year	-	-
Dividends	-	(378,372)
	<hr/>	<hr/>
Net reduction in equity shareholders' funds	-	(378,372)
	<hr/>	<hr/>
Opening shareholders' funds	171,500	549,872
	<hr/>	<hr/>
Closing shareholders' funds	171,500	171,500
	<hr/>	<hr/>

Notes

(forming part of 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

	2000 £	1999 £
<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 is a wholly owned subsidiary of Hill & Smith Holdings PLC, a company registered in England. Copies of the Group financial statements may be obtained from the registered office:

Springvale Business and Industrial Park
 Bilston
 West Midlands
 WV14 0QL