

HENRY HARGREAVES & SONS LIMITED

Registered No. 543146

ACCOUNTS – 31 DECEMBER 1999

TOGETHER WITH DIRECTORS' REPORT



HENRY HARGREAVES & SONS LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their report and accounts for the year ended 31 December 1999.

BUSINESS REVIEW:

The Company has not traded during the year and accordingly no Profit and Loss Account is presented. There is no current intention that it should trade in the future. Any expenses have been met by the ultimate holding company, Senior plc (formerly named Senior Engineering Group plc).

CHANGE OF NAME:

On 16 March 1999 the Company changed its name from Northern Induction Limited to Senior Limited and on 10 May 1999 it changed its name to Flexonics Limited.

DIRECTORS:

The following Directors have held office during the year:

T B Garthwaite
F H Fermor
N V Turnbull (resigned 10 September 1999)

The directors who held office at 31 December 1999 had no interests in the shares of the Company, other than by virtue of their interests (which are all beneficial) in the shares of Senior plc. The interests of T B Garthwaite, and N V Turnbull until the date of his resignation, are disclosed in the accounts of Senior plc. The interests of F H Fermor in the 10p ordinary shares of Senior plc are as follows:

	Shares 31 December 1999	Shares 31 December 1998
F H Fermor	300,000	300,000

Performance Awards under the Senior plc Long Term Share Incentive Plan were granted to F H Fermor in January 1997 in respect of 17,250 shares, in January 1998 in respect of 16,050 shares and in March 1999 in respect of 13,636 shares. The awards have potential release three years after grant and on 28 January 2000 those granted in 1997 matured releasing a total of 14,352 shares.

On 13 May 1999 options over 37,900 shares were granted to F H Fermor under the 1999 Executive Share Option Plan.

At 31 December 1999 F H Fermor held the following options to subscribe for shares in Senior plc:

	31 December 1999	31 December 1998	Exercise period	Subscription price (pence)
Executive options - 1984 Scheme	45,192	45,192	7 years to 6 May 2002	78.37
Executive options - 1999 Plan	37,900	-	3 years to 12 May 2005	154.35
Sharesave options	10,156	10,156	6 months to 31 July 2000	96.00

AUDITORS:

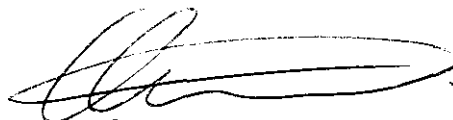
The Directors are of the opinion that the Company satisfies the conditions laid down in Section 250 of the Companies Act 1985 and that it is entitled to the benefits of the exemptions for individual accounts applicable in the case of a small company which has been dormant since the end of the financial year. Accordingly the provisions of Section 384 of the Companies Act 1985 do not apply and no Auditors will be appointed until such time as the Company is no longer dormant.

Registered Office

Senior House
59/61 High Street
Rickmansworth
Herts WD3 1RH

22 March 2000

BY ORDER OF THE BOARD



L Grant
Secretary

HENRY HARGREAVES & SONS LIMITED

BALANCE SHEET - 31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
CURRENT ASSETS			
Due from parent	1	<u>62,207</u>	<u>62,207</u>
CAPITAL AND RESERVES			
Called up share capital	2	4,400	4,400
Share premium account		45,875	45,875
Other reserves		<u>11,932</u>	<u>11,932</u>
		<u>62,207</u>	<u>62,207</u>

The Company was dormant, within the meaning of Section 250 of the Companies Act 1985, throughout the financial year ending 31 December 1999.

APPROVED ON BEHALF OF THE BOARD ON 22 MARCH 2000.



Director

NOTES TO THE BALANCE SHEET - 31 DECEMBER 1999

1. OWNERSHIP OF THE COMPANY:

The Company is a wholly-owned subsidiary undertaking of Senior Engineering Investments Limited, a company registered in England and Wales.

The Company's ultimate holding company is Senior plc, a company registered in England and Wales.

2. CALLED UP SHARE CAPITAL:

The share capital comprises 5,000 authorised shares of £1 each of which 400 ordinary shares and 4,000 deferred shares are issued and fully paid.

3. DIRECTORS' REMUNERATION:

None of the Directors received any emoluments from the Company during the year.

4. PROFIT AND LOSS ACCOUNT:

The Company did not trade during either of the last two financial years and accordingly no Profit and Loss Account is presented.