

SPOONER INDUSTRIES LIMITED

FINANCIAL STATEMENTS

(Registered Number: 00643047)

30 JUNE 1999



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SPOONER INDUSTRIES LIMITED

FINANCIAL STATEMENTS

30 JUNE 1999

DIRECTORS

MJ Brook	(Appointed 2 November 1998)
BM Barrett	(Resigned 10 December 1999)
DW Broadley	(Resigned 2 November 1998)
EV Bowden	
DP Carrington	(Resigned 30 September 1999)
GN Dearden	
GB Haisman	
JM Rennes	

SECRETARY

GB Haisman

AUDITORS

PricewaterhouseCoopers
Benson House
33 Wellington Street
Leeds
LS1 4JP

REGISTERED OFFICE

Moorland Engineering Works
Railway Road
Ilkley
West Yorkshire
LS29 8JB

SPOONER INDUSTRIES LIMITED

DIRECTORS' REPORT

The directors submit their report together with the financial statements of the company for the year ended 30 June 1999.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company throughout the period continued to be the manufacture of ovens, dryers, coolers and associated equipment for many industries including paper, metals and plastics.

RESULTS AND DIVIDENDS

The results for the year are shown on page 6. The directors propose to pay a total dividend of £65,000 (1998: £334,000), leaving a retained loss of £1,010,000 (1998: £58,000 loss) to deduct from reserves.

DIRECTORS AND THEIR INTEREST

The directors of the company at 30 June 1999 are listed on page 1.

The directors have no interests in the shares of the company.

The interests of the directors in the shares of the ultimate parent company are as follows:

	<u>30 June 1999</u>	<u>30 June 1998</u>
Ordinary shares		
JM Rennes	4,000	4,000
BM Barrett	75,383	75,383

Share option schemes

<u>Name</u>	<u>Options at</u> <u>1.7.98</u>	<u>Lapsed</u>	<u>Options at</u> <u>30.6.99</u>	<u>Subscription</u> <u>price</u>	<u>Normal period</u> <u>of exercise</u>
Executive share option scheme					
EV Bowden	6,000	6,000		69p	
EV Bowden	10,000	10,000		50p	
EV Bowden			54,000	5.5p	2002-2009
MJ Brook			60,000	5.5p	2002-2009
MJ Brook			274,000	5.5p	2002-2009
DP Carrington			54,000	5.5p	2002-2009
GN Dearden	6,000	6,000		69p	
GN Dearden	10,000	10,000		50p	
GN Dearden			54,000	5.5p	2002-2009
GB Haisman	6,000	6,000		69p	
GB Haisman	10,000	10,000		50p	
GB Haisman			54,000	5.5p	2002-2009
JM Rennes			54,000	5.5p	2002-2009
JM Rennes			100,000	5.5p	2002-2009
BM Barrett	215,644	215,644		50p-417p	

SPOONER INDUSTRIES LIMITED

<u>Name</u>	<u>Options at 1.7.98</u>	<u>Lapsed</u>	<u>Options at 30.6.99</u>	<u>Subscription price</u>	<u>Normal period of exercise</u>
Savings share option plan					
EV Bowden			66,000	5.5p	2002-2009
MJ Brook			66,000	5.5p	2002-2009
DP Carrington			66,000	5.5p	2002-2009
GN Dearden			66,000	5.5p	2002-2009
GB Haisman			66,000	5.5p	2002-2009
JM Rennes			66,000	5.5p	2002-2009
Savings related share option scheme					
GN Dearden	3,538		3,538	39p	2000
BM Barrett	44,230		44,230	39p	2000

The mid market price of Brunel's ordinary shares was 4.25p at 30 June 1999. During the year it reached a high of 10.0p and a low of 4.25p.

SUPPLIER PAYMENT POLICY

The company generally agrees terms and conditions with suppliers before business takes place and its policy is to pay agreed invoices in accordance with those terms of payment.

At the year-end, the company had an average of 88 days (1998: 94 days) purchases outstanding in trade creditors.

YEAR 2000

The Company has continued to assess the business risks resulting from the Year 2000 issue throughout this financial year. An ongoing review procedures across the Company has ensured that priority is given to those systems which could cause a significant financial or legal impact on the Company's business if they were to fail.

The Year 2000 issue may create a risk from third parties with whom the Company deals on financial and business transactions worldwide. Consequently, the Company cannot be certain of avoiding business disruption in areas where it does not have a direct relationship.

No material additional costs are expected in implementing the Company's Year 2000 action plan, as this will be included as part of the ongoing upgrading of current systems.

EUROPEAN MONETARY UNION

The Company has assessed the potential impact of Economic Monetary Union and at present no specific action is deemed necessary. However, the situation is being monitored on a regular basis.

SPOONER INDUSTRIES LIMITED

DIRECTORS' REPORT (CONTINUED)

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:

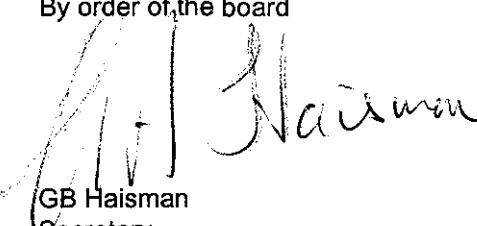
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 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.

AUDITORS

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution proposing their re-appointment as auditors to the company will be put to the Annual General Meeting.

By order of the board



GB Haisman
Secretary

21 January 2000

20

AUDITORS' REPORT TO THE MEMBERS OF SPOONER INDUSTRIES LIMITED

We have audited the financial statements on pages 6 to 19 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 4, the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the financial statements.


Basis of opinion

We conducted our audit in accordance with 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 misstatements, 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 at 30 June 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

21 January 2000

SPOONER INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1999

	<u>Note</u>	<u>1999</u> £'000	<u>1998</u> £'000
TURNOVER	2	4,737	7,408
Cost of sales		<u>(4,173)</u>	<u>(5,640)</u>
GROSS PROFIT		564	1,768
Distribution costs		(578)	(637)
Administrative expenses		<u>(905)</u>	<u>(690)</u>
OPERATING (LOSS)/PROFIT	3	(919)	441
Interest payable and similar charges	6	<u>(139)</u>	<u>(75)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,058)	347
Taxation	7	<u>113</u>	<u>(71)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(945)	276
Dividends	8	<u>(65)</u>	<u>(334)</u>
RETAINED (LOSS)/TRANSFERRED (FROM)/TO RESERVES	17	<u><u>(1,010)</u></u>	<u><u>(58)</u></u>

Turnover and operating profit is derived from continuing operations.

There are no recognised gains or losses in the year other than the loss for the year.

The notes on pages 9 to 19 form part of these financial statements.

SPOONER INDUSTRIES LIMITED

STATEMENT OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 30 JUNE 1999

	<u>1999</u> £'000	<u>1998</u> £'000
REPORTED (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(1,058)	347
Revaluation surplus realised on disposal of plant and machinery	13	19
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>19</u>	<u>23</u>
HISTORICAL COST PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(1,026)</u>	<u>389</u>
HISTORICAL COST RETAINED (LOSS)/PROFIT FOR THE YEAR AFTER TAXATION AND DIVIDENDS	<u>(978)</u>	<u>(16)</u>

SPOONER INDUSTRIES LIMITED

BALANCE SHEET AT 30 JUNE 1999

	<u>Note</u>	<u>1999</u> £'000	<u>1998</u> £'000
FIXED ASSETS			
Tangible assets	9	671	516
Investments	10	<u>-</u>	<u>-</u>
		671	516
CURRENT ASSETS			
Trading land		250	350
Stocks	11	177	194
Debtors	12	4,370	4,823
Cash at bank and in hand		<u>3</u>	<u>642</u>
		4,800	6,009
CREDITORS: (Amounts falling due within one year)	13	<u>(2,316)</u>	<u>(2,316)</u>
NET CURRENT ASSETS		<u>2,484</u>	<u>3,693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,155	4,209
CREDITORS: (Amounts falling due after more than one year)	14	(114)	(165)
PROVISIONS FOR LIABILITIES AND CHARGES	15	<u>(7)</u>	<u>-</u>
NET ASSETS		<u>3,034</u>	<u>4,044</u>
CAPITAL AND RESERVES			
Called up share capital	16	1,061	1,061
Share premium account	17	141	141
Revaluation reserve	17	47	21
Profit and loss account	17	<u>1,785</u>	<u>2,821</u>
TOTAL SHAREHOLDERS' FUNDS	18	3,034	4,044

Approved by the board on ²⁰~~21~~ January 2000

Director



The notes on pages 9 to 19 form part of these financial statements.

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999

1 ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain plant and equipment, and in accordance with applicable accounting standards.

b) Basis of consolidation

Group accounts have not been prepared as the company is itself a wholly owned subsidiary undertaking and is exempt under Section 228 of the Companies Act 1985 from the obligation to prepare and submit consolidated accounts to the Registrar of Companies.

c) Tangible fixed assets

Depreciation is provided in order to write off the cost or revalued amounts, less estimated residual value, of each asset evenly over its expected useful life in equal annual installments. The rates of depreciation are as follows:

Plant and equipment	6 2/3 years – 10 years
Motor vehicles	5 years
Computer equipment	3 years – 6 2/3 years

d) Stock

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition including where appropriate, a proportion of manufacturing and administration overheads. Provisions are made for losses incurred or expected to be incurred on contracts not yet completed at the year end. Trading land is valued at net realisable value.

e) Long term contracts

Amounts recoverable on long term contracts are stated at the net sales value of work done less amounts receivable as progress payments on account and are included in debtors.

Progress payments in excess of work done are included in creditors as payments in advance.

Attributable profit on long term contracts is apportioned to accounting periods in the same ratio as costs incurred to date on the contract to total contract costs to completion.

f) Leasing and hire purchase commitments

Tangible fixed assets financed by leasing agreements that give rights approximating to ownership (finance leases) are capitalised and the outstanding capital element of lease installments is shown in creditors. Depreciation on such assets and the interest element of the leasing payments are charged to the profit and loss account in the year which they arise.

Rentals paid under operating leases are charged to the profit and loss account in the year in which they arise.

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

g) Research and development

Research and development expenditure is written off in the year in which it is incurred.

h) Deferred taxation

Deferred taxation is accounted for under the liability method in respect of the taxation effects of all timing differences, which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

i) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances denominated in a foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date, differences arising on translation are taken to the profit and loss account.

j) Pension costs

The company does not operate its own independent pension fund but is a member of the Brunel Holdings scheme. This is a defined benefit scheme where pension contributions for individual companies are based on pension costs across the group.

Additional details of the scheme, as required to be disclosed under SSAP24, are given in the notes to the financial statements of Brunel Holdings plc.

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

2 TURNOVER

Turnover comprises amounts receivable in the ordinary course of business in respect of goods sold and services provided to third parties, excluding Value Added Tax.

The geographical analysis of turnover is as follows:

	<u>1999</u> £'000	<u>1998</u> £'000
UK	2,948	3,487
Europe	1,714	2,704
Americas	38	555
Asia and Australia	<u>37</u>	<u>662</u>
	<u>4,737</u>	<u>7,408</u>

3 OPERATING (LOSS)/PROFIT

	<u>1999</u> £'000	<u>1998</u> £'000
This is after charging:		
Foreign exchange (gains)/losses	(1)	10
Management charge	150	150
Depreciation	141	148
Operating lease rentals	17	16
Auditors' remuneration	<u>11</u>	<u>14</u>

Operating loss is stated after charging the following exceptional items:

	<u>1999</u> £'000	<u>1998</u> £'000
Redundancy and reorganisation costs	172	-
Amounts written off trading land	<u>100</u>	<u>-</u>

4 EMPLOYEE INFORMATION

	<u>1999</u> £'000	<u>1998</u> £'000
The total remuneration of the company's employees (including directors) during the year was:		
Wages and salaries	1,839	2,182
Social security costs	149	178
Other pension costs	<u>110</u>	<u>155</u>
	<u>2,098</u>	<u>2,515</u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

4 EMPLOYEE INFORMATION (CONTINUED)

	<u>Number</u>	<u>Number</u>
The average number of persons employed by the company was:		
Management and administration	43	63
Production	<u>43</u>	<u>57</u>
	86	120
	<u><u> </u></u>	<u><u> </u></u>

5 DIRECTORS' EMOLUMENTS

	<u>1999</u> £'000	<u>1998</u> £'000
Aggregate emoluments	288	308
Pension contributions	<u>18</u>	<u>14</u>
	306	322
	<u><u> </u></u>	<u><u> </u></u>

Three of the four of the directors have benefits accruing under a defined benefits scheme.

None of the directors exercised any share options during the year.

Highest paid director:

	<u>1999</u> £'000	<u>1998</u> £'000
Aggregate emoluments	53	63
Accrued pension at the end of the year	<u>24</u>	<u>23</u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE (CONTINUED)

6 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1999</u> £'000	<u>1998</u> £'000
Bank interest	121	60
Finance lease and hire purchase contracts	<u>18</u>	<u>15</u>
	139	75
	<u> </u>	<u> </u>

7 TAXATION

The (credit)/charge for the year comprises:

	<u>1999</u> £'000	<u>1998</u> £'000
Corporation tax at (credit)/change 31% (1998: 31%)	(120)	121
Deferred tax	<u>7</u>	<u>(50)</u>
	(113)	71
	<u> </u>	<u> </u>

8 DIVIDENDS

	<u>1999</u> £'000	<u>1998</u> £'000
Interim dividend paid	-	390
Final dividend proposed	65	-
Reduction in dividend proposed in prior year	<u>-</u>	<u>(56)</u>
	65	334
	<u> </u>	<u> </u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

9 TANGIBLE FIXED ASSETS

	<u>Plant, equipment & vehicles</u> £'000
Cost or valuation	
At 1 July 1998	1,279
Additions	310
Disposals	<u>(110)</u>
At 30 June 1999	<u>1,479</u>
Depreciation	
At 1 July 1998	763
Charged in year	141
Disposals	<u>(96)</u>
At 30 June 1999	<u>808</u>
Net book amount:	
At 30 June 1999	<u>671</u>
At 30 June 1998	<u>516</u>

The net book value of fixed assets includes assets acquired on a finance lease with an original cost of £406,180 (1998: £377,000) and a written down value of £206,312 at 30 June 1999 (1998: £244,000).

Cost or valuation comprises:

	£'000
Valuation on an existing use basis in 1992	268
Cost	<u>1,211</u>
At 30 June 1999	<u>1,479</u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

9 TANGIBLE FIXED ASSETS (CONTINUED)

Large machine tools and equipment are stated in valuation. All other tangible fixed assets are stated at cost. If these assets referred to had not been revalued, they would have been carried in the balance sheet at:

	<u>Plant, equipment & vehicles</u> £'000
Cost	1,800
Depreciation	<u>1,177</u>
Net book amount at 30 June 1999	<u>623</u>

The directors revalued the plant and equipment on 29 February 1992 on the basis of open market value for existing use.

10 INVESTMENTS

The company owned all of the issued share capital of the following subsidiary at 30 June 1999, which had not traded in the year.

	<u>Country of Incorporation</u>	<u>Class of Shares held</u>
Spooner Espanola Limited	England	Ordinary

In the opinion of the directors, the investment in Spooner Espanola Limited has no value and it was written off during 1997.

11 STOCKS

	<u>1999 £'000</u>	<u>1998 £'000</u>
Raw materials and consumables	88	101
Work in progress	286	188
Less payments on account	<u>(197)</u>	<u>(95)</u>
	<u>177</u>	<u>194</u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

12 DEBTORS

	<u>1999</u> £'000	<u>1998</u> £'000
Trade debtors	1,175	1,459
Amounts recoverable on contracts	578	127
Amounts owed by group undertakings	2,615	3,234
Other debtors	<u>2</u>	<u>3</u>
	<u>4,370</u>	<u>4,823</u>

13 CREDITORS: (Amounts falling due within one year)

	<u>1999</u> £'000	<u>1998</u> £'000
Bank overdraft	475	-
Payments received on account	537	384
Trade creditors	721	445
Amounts owed to group undertakings	5	22
Social security and other taxes	(3)	248
Other creditors	12	29
Obligations under finance leases (note 14)	78	67
Accruals and deferred income	491	740
Bills payable	<u>-</u>	<u>381</u>
	<u>2,316</u>	<u>2,316</u>

The bank overdraft is secured by way of a fixed and floating charge over the company's assets, and is repayable on demand.

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

14 CREDITORS: (Amounts falling due after more than one year)

At 30 June 1999 the company had obligations under finance leases as set out below.

	<u>1999</u> £'000	<u>1998</u> £'000
Gross amounts payable		
Within one year	91	85
Within two years	81	85
Within two to five years	42	98
Deduct: Finance charges allocated to future periods	(22)	(36)
Shown under current liabilities (note 13)	<u>(78)</u>	<u>(67)</u>
	114	165
	<u>=====</u>	<u>=====</u>

15 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	<u>Provided</u>		<u>Unprovided</u>	
	<u>1999</u> £'000	<u>1998</u> £'000	<u>1999</u> £'000	<u>1998</u> £'000
Deferred taxation comprises:				
Accelerated capital allowances	7	-	-	(11)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

16 CALLED UP SHARE CAPITAL

	<u>1999</u> £'000	<u>1998</u> £'000
Authorised:		
10,000,000 ordinary shares of 25p per share	<u>2,500</u>	<u>2,500</u>
Allotted, issued and fully paid:		
4,243,724 ordinary shares of 25p per share	<u>1,061</u>	<u>1,061</u>

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

17 RESERVES

	Share premium £'000	Revaluation Reserve £'000	Profit and Loss Account £'000
At 1 July 1998	141	21	2,821
Retained loss for the year	-	-	(1,010)
Revaluation surplus realised on disposal of assets	-	(13)	13
Revaluation surplus realised against depreciation of revalued assets			
- current year	-	(19)	19
- prior year	-	58	(58)
At 30 June 1999	141	47	1,785

The revaluation reserve at 30 June 1999 related to a surplus on revaluation of plant and equipment. No deferred tax has been provided in respect of this reserve as, in the opinion of the directors, no charge is expected to arise in the foreseeable future because any gains in the future are likely to be covered by roll-over relief.

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1999 £'000	1998 £'000
(Loss)/profit for the financial year	(945)	276
Dividends	(65)	(334)
Net reduction in shareholders' funds	(1,010)	(58)
Opening shareholders' funds	4,044	4,102
Closing shareholders' funds	3,034	4,044

SPOONER INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 1999 (CONTINUED)

19 FUTURE FINANCIAL COMMITMENTS

At 30 June 1999 the company had annual commitments under non-cancellable operating leases as set out below:

	<u>1999</u> £'000	<u>1998</u> £'000
Land and buildings lease which expires after five years	<u>200</u>	<u>200</u>
Other leases which expire:		
Within one year	15	48
Within two years	37	18
Within two to five years	<u>43</u>	<u>25</u>
	95	91
	<u> </u>	<u> </u>

20 CONTINGENT LIABILITIES

The company has given unlimited guarantees in respect of bank liabilities of certain other group companies. At 30 June 1999, the contingent liabilities in respect of bank borrowing amounted to £14,984,000 (1998: £4,986,000).

The company had at 30 June 1999 outstanding bank guarantees in respect of advance payments, performance and other bonds totalling £519,397 (1998: £290,413).

21 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Brunel Holdings plc which is registered in England and Walls. Copies of the group's financial statements are available from:

The Company Secretary, Brunel Holdings plc, Brunel House, Avon Reach, Chippenham, Wiltshire, SN15 1EE

22 CASH FLOW STATEMENT

The company has taken advantage of the exemption granted by paragraph 5(a) of FRS 1 (revised 1996), and has not published a cashflow statement.

23 RELATED PARTY TRANSACTIONS

The ultimate controlling party is Brunel Holdings plc. The company has taken advantage of the exemption granted by FRS 8 paragraph 3(c), not to disclose details of related party transactions between group companies.