

**ROLLS-ROYCE POWER & PROCESS (HARTLEPOOL) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1999**

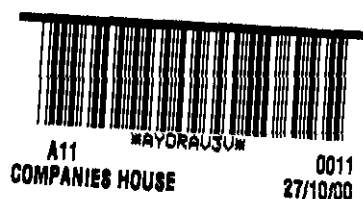
The Company did not trade during the year and all expenses have been borne by the parent Company. The Company did not receive any income or incur any expenditure during the year and consequently has made neither profit nor loss.

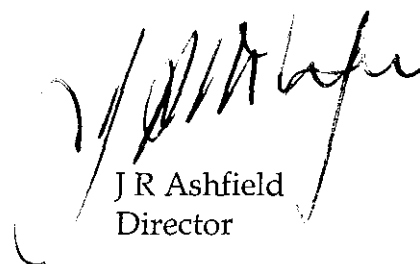
**BALANCE SHEET AS AT 31 DECEMBER 1999**

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
<b>Current Assets</b>			
Debtors		100	100
		<hr/>	<hr/>
<b>Net Assets</b>		100	100
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Shareholders Funds			
Equity			
Called up share capital	3	100	100
		<hr/>	<hr/>
<b>Total Shareholders Funds</b>		100	100
		<hr/>	<hr/>

The Company was dormant within the meaning of Section 250, Companies Act 1985 throughout the accounting period ending at the date of this balance sheet.

These financial statements were approved by the Board on 6 January 2000, and signed on its behalf by :



  
J R Ashfield  
Director

The notes on page 2 form part of these financial statements.

**ROLLS-ROYCE POWER & PROCESS (HARTLEPOOL) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Principal Accounting Policies**

a) Basis of Accounting

These financial statements have been prepared on the historical cost basis and in accordance with applicable accounting standards.

b) Cash Flow statement

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a Cash Flow Statement on the grounds that it is a wholly owned subsidiary undertaking.

**2. Directors' Emoluments**

Neither of the Directors who held office during the year received any emoluments from the company (1998; NIL).

**3. Share Capital**

	<u>1999</u> (£)	<u>1998</u> (£)
Authorised:		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid:		
100 Ordinary Shares of £1 each	100	100

**4. Elective Resolutions**

Elective Resolutions are in force which dispense with the obligations of (a) laying the accounts before the Company in general meeting; and (b) holding Annual General Meetings.

**5. Ultimate Parent Company**

The Company's ultimate parent company is Rolls-Royce plc, which is incorporated in Great Britain and registered in England and Wales. Copies of Rolls-Royce plc's Annual Report can be obtained from Rolls-Royce plc, 65 Buckingham Gate, London, SW1E 6AT.