

# **MONARCH BEARINGS INTERNATIONAL LIMITED**

## **DIRECTORS' REPORT AND ACCOUNTS**

**31 DECEMBER 1998**

Registered in England No. 1932887

*Registered Office:*

c/o Brammer plc, 1 Tabley Court, Victoria Street, Altrincham, Cheshire WA14 1EZ



# MONARCH BEARINGS INTERNATIONAL LIMITED

## DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the audited accounts of your company for the year ended 31 December, 1998.

### Principal activities of the company

The company has not traded during the year, therefore no profit & loss account has been prepared. Permission has been granted to BSL Limited, a fellow subsidiary of Brammer plc, to use the name of Monarch Bearings International Limited as a trading name.

### Directors

J W Cumming  
J B Stimson  
C L Watts

### Directors' interests

Mr J W Cumming is also a director of Brammer plc, the ultimate holding company, in which company's accounts details of his interests in the shares of that company are shown. The interests of the other directors in the shares of Brammer plc are as follows:-

### Shareholdings

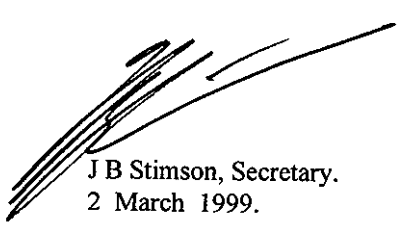
	Ordinary shares of 20p			
	31 December 1998		31 December 1997	
	<i>Shares</i>	<i>Share options</i>	<i>Shares</i>	<i>Share options</i>
J B Stimson	3,288	54,992	7,068	55,377
C L Watts	2,911	5,662	2,911	3,662

Share options include options held by directors under the 1985, 1995 and 1997 executive share option schemes and the 1989 savings related share option scheme.

### Auditors

A SPECIAL RESOLUTION will be proposed at the Annual General Meeting that the company resolves to make itself exempt from the obligation to appoint auditors as otherwise required by the Companies Act 1985, section 385.

By order of the board,



J B Stimson, Secretary.  
2 March 1999.

# MONARCH BEARINGS INTERNATIONAL LIMITED

## BALANCE SHEET AT 31 DECEMBER 1998

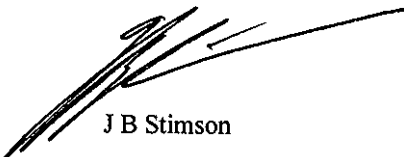
	1998	1997
	£	£
Debtors - inter company	<u>47,432</u>	<u>47,432</u>
<b>Capital and reserves</b>		
Share capital - ordinary shares of £1 each		
Allotted, called up and fully paid	80	80
Profit & loss account	<u>47,352</u>	<u>47,352</u>
	<u>47,432</u>	<u>47,432</u>

## NOTES TO THE ACCOUNTS

1. The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.
2. The ultimate holding company is Brammer plc, a company registered in England & Wales. The group accounts of Brammer plc are available at the Registered Office, 1 Tabley Court, Victoria Street, Altrincham, Cheshire, WA14 1EZ. All expenses have been paid by Brammer plc.

The company was dormant throughout the financial year ended 31 December 1998.

Approved by the board on 2 March 1999 and signed on its behalf by:



J B Stimson



C L Watts

# MONARCH BEARINGS INTERNATIONAL LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements which comply with the Companies Act 1986, on a going concern basis unless inappropriate, and which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss for that period. In preparing these financial statements suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and applicable accounting standards, have been followed.

The directors are also required to maintain 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 1986. In addition they have a general responsibility for safeguarding the assets of the group and preventing and detecting fraud and other irregularities.

## REPORT OF THE AUDITORS TO THE MEMBERS OF MONARCH BEARINGS INTERNATIONAL LIMITED

We have audited the accounts on page 2 in accordance with Auditing Standards.

### *Respective responsibilities of directors and auditors*

The company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

### *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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts are free from material misstatement, 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 accounts.

### *Opinion*

In our opinion the accounts give a true and fair view of the state of the affairs of the company as at 31 December 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1986.

*KPMG Audit Plc*

1 The Embankment,  
Neville Street,  
Leeds  
LS1 4DW

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

2 March 1999