

ATE Group Limited

Report and Financial Statements

Year Ended

31 December 1999



ATE Group Limited

Annual report and financial statements for the year ended 31 December 1999

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Directors

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Directors

A J Wilson

Secretary and registered office

Transrent Plc, Boundary Industrial Estate, Stafford Road, Fordhouses, Wolverhampton,
West Midlands WV10 3ER

Company number

02976493

Auditors

BDO Stoy Hayward, Mander House, Wolverhampton, West Midlands WV1 3NF

Bankers

Midland Bank Plc, Queen Square, Wolverhampton, West Midlands WV1 1TE

ATE Group Limited

Report of the directors for the year ended 31 December 1999

The directors present their report together with the audited financial statements for the year ended 31 December 1999.

Results and dividends

The profit and loss account is set out on page 4 and shows the result for the year.

Principal activities

The company ceased to trade on 6 April 1998 when its trade and assets were hived up to its parent undertaking.

Directors

The directors of the company during the year were:

	£1 Ordinary Shares	
	1999	1998
A J Wilson - Appointed 27 September 1999	-	-
A T Evans - Resigned 27 September 1999	-	-

No director had any beneficial interest in the share capital of the company.

A J Wilson is also a director of the parent undertaking, Transrent Plc. His interests in the shares of that company are shown in its financial statements.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

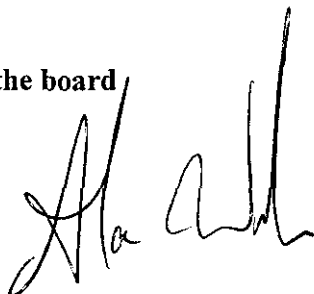
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board

A J Wilson



Director

9 October 2000

To the shareholders of ATE Group Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
Wolverhampton

11 December 2000

ATE Group Limited**Profit and loss account for the year ended 31 December 1999**

	Note	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
Turnover	2	-	811,235
Cost of sales		-	(563,554)
Gross profit		-	247,681
Administrative expenses		-	(179,087)
		-	68,594
Other operating income		-	23,625
Operating profit	5	-	92,219
Interest payable and similar charges	6	-	(12,748)
Profit on ordinary activities before and after taxation		-	79,471
Dividends (including non-equity)	7	-	228,126
Retained loss for the year		-	(148,655)
Retained profit brought forward		-	148,655
Retained profit carried forward		-	-

All recognised gains and losses are included in the profit and loss account.

The notes on pages 6 to 11 form part of these financial statements.

ATE Group Limited

Balance sheet at 31 December 1999

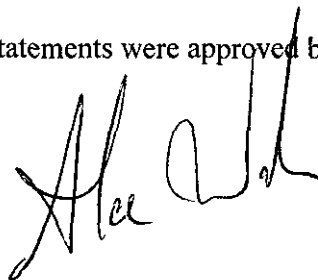
	Note	1999	1998
		£	£
Current assets			
Debtors	8	53,100	53,100
		<u>53,100</u>	<u>53,100</u>
Net current assets		<u>53,100</u>	<u>53,100</u>
Net assets		<u>53,100</u>	<u>53,100</u>
Capital and reserves			
Called up share capital	9	50,200	50,200
Share premium account		2,900	2,900
		<u>53,100</u>	<u>53,100</u>
Shareholders' funds	10	<u>53,100</u>	<u>53,100</u>

Included within shareholders' funds is an amount of £53,000 (1998: £53,000) in respect of non-equity interests.

The financial statements were approved by the Board on 9 October 2000

A J Wilson

Director



The notes on pages 6 to 11 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Comparative figures

The comparative figures in the profit and loss account cover the 95 day period to 5 April 1998.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

ATE Group Limited

Notes forming part of the financial statements for the year ended 31 December 1999 (Continued)

3 Employees

Staff costs (including directors) consist of:

	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
Wages and salaries	-	110,761
Social security costs	-	9,929
	<hr/>	<hr/>
	-	120,690
	<hr/>	<hr/>

The average monthly number of employees (including directors) during the year was as follows:

	Year ended 31 December 1999 Number	95 days ended 5 April 1998 Number
Production	-	8
Administration	-	11
	<hr/>	<hr/>
	-	19
	<hr/>	<hr/>

4 Directors

	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
Directors' emoluments consist of:		
Emoluments	-	35,293
	<hr/>	<hr/>

No directors were members of the company's defined contribution pension scheme (1998 1).

ATE Group Limited**Notes forming part of the financial statements for the year ended 31 December 1999 (Continued)**

5 Operating profit

This is arrived at after charging/(crediting):

	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
Depreciation of tangible fixed assets		
- owned by the company	-	2,730
- held under finance leases	-	1,161
Auditors' remuneration	-	3,448
Operating lease rentals		
- land and buildings	-	22,433
Profit on sale of fixed assets	-	(73,374)
	<hr/>	<hr/>

6 Interest payable and similar charges

	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
On bank loans and overdrafts	-	12,194
On finance leases and hire purchase contracts	-	554
	<hr/>	<hr/>
	-	12,748
	<hr/>	<hr/>

ATE Group Limited

Notes forming part of the financial statements for the year ended 31 December 1999 (*Continued*)

7 Dividends

	Year ended 31 December 1999 £	95 days ended 5 April 1998 £
<i>Equity shares</i>		
Ordinary shares		
Interim paid of £NIL (1998: £1,921) per share	-	192,126
<i>Non equity shares</i>		
Preferred ordinary shares (non equity)		
Interim paid of NILp (1998: 71p) per share	-	36,000
	<hr/>	<hr/>
	-	228,126
	<hr/>	<hr/>

ATE Group Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

8 Debtors

	1999 £	1998 £
Amounts due from group undertakings	53,100	53,100
	<u>53,100</u>	<u>53,100</u>

All amounts shown under debtors fall due for payment within one year.

9 Called up share capital

	Authorised		Allotted, called up and fully paid	
	31 December 1999	31 December 1998	31 December 1999	31 December 1998
Equity share capital				
Ordinary shares of £1 each	100	100	100	100
Non-equity share capital				
Preferred ordinary shares of £1 each	50,100	50,100	50,100	50,100
	<u>50,200</u>	<u>50,200</u>	<u>50,200</u>	<u>50,200</u>

The preferred ordinary shares carry, in priority to the holders of the ordinary shares, the right to a dividend not exceeding £36,000 in respect of each accounting period of the company and, on a return of capital, to the return of the paid up capital and to a further sum of up to £450,000.

ATE Group Limited

Notes forming part of the financial statements for the year ended 31 December 1999 *(Continued)*

10 Reconciliation of movements in shareholders' funds

	31 December 1999 £	31 December 1998 £
Profit for the year	-	79,471
Dividends	-	(228,126)
	<hr/>	<hr/>
	-	(148,655)
Opening shareholders' funds	53,100	201,755
	<hr/>	<hr/>
Closing shareholders' funds	53,100	53,100
	<hr/>	<hr/>

11 Contingent liabilities

The company has given an unlimited multilateral guarantee in respect of the bank borrowings of its parent undertaking, Transrent Plc. At 31 December 1999 these amounted to £1,085,738 (1998 - £852,115). The guarantee is secured by a fixed charge over the assets of the company.

12 Ultimate parent company

At 31 December 1999 the company's ultimate parent company was Transrent Plc which is the parent of both the smallest and largest groups of which the company is a member.