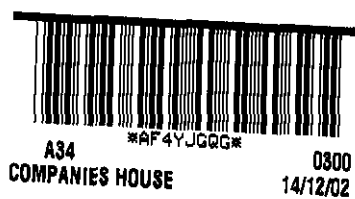


Sabroe (U.K.) Holdings Limited

**Directors' report and financial
statements**

Registered number 3636755

31 December 2001



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Company information

Directors

OEV Andersen
I Howells
JD Miller

Registered office

1 – 8 Eaves Court
Bonham Drive
Sittingbourne
Kent
ME10 3RY

Company number

3636755

Auditors

KPMG LLP
St Nicholas House
Park Row
Nottingham
NG1 6FQ

Directors' report

The directors submit their report and the financial statements for the company for the year ended 31 December 2001.

Principal activities

The company acts as a holding company for a group of companies that undertake the design, procurement, construction, commissioning and maintenance of industrial and commercial refrigeration equipment.

Business review

The result for the year is set out in the profit and loss account on page 5.

The directors' do not recommend the payment of a dividend (2000: £nil).

Directors

The directors of the company who served during the year were as follows:

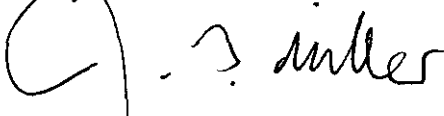
| | Date of appointment | Date of resignation |
|---------------|----------------------------|----------------------------|
| OEV Andersen | | |
| KM Price | | 6 March 2001 |
| JD Miller | | |
| F P Rasmussen | 6 March 2001 | 31 December 2001 |
| I Howells | 31 December 2001 | |

None of the directors have any interest in the share capital of the company or have been granted rights to subscribe for shares in the company.

Auditors

KPMG were re-appointed auditors at the last annual general meeting. However, since that date their audit practice was transferred to a limited partnership, KPMG LLP. Accordingly, KPMG resigned as auditors on 17 May 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising.

By order of the board



JD Miller
Company Secretary

25 November 2002

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



St Nicholas House
Park Row
Nottingham
NG1 6FQ

Independent auditors' report to the members of Sabroe (U.K.) Holdings Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 1985. 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 with the company is not disclosed.

Basis of audit 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 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25 November 2002

*Chartered Accountants
Registered Auditor*

Profit and loss account

for the year ended 31 December 2001

| | <i>Notes</i> | 2001 £000 | 2000 £000 |
|---|--------------|----------------------------|--------------|
| Administrative expenses | | (2) | (9) |
| Operating loss | | (2) | (9) |
| Interest receivable and similar income | 2 | - | 155 |
| Interest payable and similar charges | 3 | (2) | (457) |
| Loss on ordinary activities before taxation | | (4) | (311) |
| Taxation on loss on ordinary activities | 5 | - | 28 |
| Loss on ordinary activities after taxation and accumulated loss for the year | 9 | (4) | (283) |

There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account.

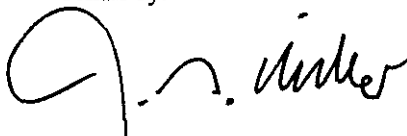
In both the current and preceding year, the company made no material acquisitions and had no discontinued operations.

Balance sheet

as at 31 December 2001

| | <i>Notes</i> | 2001 £000 | 2000 £000 |
|---|--------------|----------------------------|----------------|
| Fixed assets | | | |
| Investments | 6 | 2,982 | 2,982 |
| Creditors: amounts falling due within one year | 7 | (4,350) | (4,346) |
| Net liabilities | | <u>(1,368)</u> | <u>(1,364)</u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 1,512 | 1,512 |
| Share premium | 9 | 5,455 | 5,455 |
| Profit and loss account | 9 | (8,335) | (8,331) |
| Equity shareholders' deficit | 10 | <u>(1,368)</u> | <u>(1,364)</u> |

These financial statements were approved by the board of directors on 25 November 2002 and were signed on its behalf by:


J D Miller
Director

Notes

forming part of the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are prepared on a going concern basis which assumes the company will continue to trade, as the parent company, York International Holdings Limited, has indicated it intends to provide such funds as are necessary for the company to continue to trade for the foreseeable future.

The company has taken the exemption conferred by section 228 of the Companies Act 1985 from the requirement to prepare group financial statements as the company is a wholly owned subsidiary for the whole of the accounting period as described in note 12. These financial statements present information about the company as an individual entity and not about its group.

Investments

Investments in subsidiaries are held at cost less provisions for impairment.

Deferred taxation

Provision is made for deferred tax using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that a liability will crystallise in the foreseeable future.

Cash flow statement

Under Financial Reporting Standard Number 1 (Revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary undertaking.

Related party transactions

As the company was a wholly owned subsidiary throughout the accounting period, the company has taken advantage of the exemption contained within Financial Reporting Standard Number 8 and has therefore not disclosed transactions or balances with entities which form part of the group that it was a member of at the year end. The consolidated financial statements of its ultimate parent company can be obtained from the address given in note 12.

2 Interest receivable and similar income

| | 2001 | 2000 |
|------------------------------------|-------------|-------------|
| | £000 | £000 |
| Interest received on bank deposits | - | 155 |

Notes (continued)

3 Interest payable and similar charges

| | 2001 £000 | 2000 £000 |
|---|--------------|--------------|
| Bank loans and overdrafts | 2 | 4 |
| On loans of any other kind made to the group - amounts due to group undertakings | - | 453 |
| | <u>2</u> | <u>457</u> |

4 Staff numbers and costs

There were no staff costs in the current or the proceeding year. None of the directors were paid by the company in either year.

5 Taxation

| | 2001 £000 | 2000 £000 |
|-----------------------------|--------------|--------------|
| Overprovision in prior year | - | 28 |
| | <u>-</u> | <u>28</u> |

6 Investments

| | Shares in subsidiary undertakings £000 |
|------------------------------|---|
| <i>Cost or valuation:</i> | |
| At start and end of the year | 2,982 |

The costs of investments relate to the cost of the ordinary shares in subsidiary undertakings and include direct costs of acquisitions.

The following are wholly owned subsidiary undertakings. In all cases, the holdings are in ordinary shares. The companies are all incorporated in the United Kingdom and registered in England and Wales, with the exception of York Refrigeration Scotland Limited which is registered in Scotland.

Subsidiaries held directly:

York Refrigeration Limited
Sabroe Limited

Subsidiaries held indirectly through subsidiary undertakings:

York Refrigeration Scotland Limited
Nottingham Refrigeration Limited
S & R Refrigeration Limited
Ice-Tech Limited
Rock Refrigeration Limited
Stafford Refrigeration Limited
Stal Refrigeration Limited
Herbert Refrigeration Limited

Notes (continued)

7 Creditors: amount falling due within one year

| | 2001 £000 | 2000 £000 |
|------------------------------------|--------------|--------------|
| Bank overdraft | - | 4 |
| Amounts owed to group undertakings | 4,350 | 4,342 |
| | <u>4,350</u> | <u>4,346</u> |

8 Share capital

| | 2001 £000 | 2000 £000 |
|--|--------------|--------------|
| <i>Authorised, allotted, called up and fully paid:</i> 1,512,000 ordinary shares of £1 each | 1,512 | 1,512 |
| | <u>1,512</u> | <u>1,512</u> |

9 Reserves

| | Share premium account £000 | Profit and loss account £000 |
|---------------------|-------------------------------------|------------------------------------|
| At start of year | 5,455 | (8,331) |
| Loss for the year | - | (4) |
| At 31 December 2001 | <u>5,455</u> | <u>(8,335)</u> |

10 Reconciliation of movement in equity shareholders' deficit

| | 2001 £000 | 2000 £000 |
|---|----------------|----------------|
| Loss for the year | (4) | (283) |
| Issue of share capital | - | 1,305 |
| Net (reduction in)/addition to equity shareholders' deficit | (4) | 1,022 |
| Opening equity shareholders' deficit | <u>(1,364)</u> | <u>(2,386)</u> |
| Closing equity shareholders' deficit | <u>(1,368)</u> | <u>(1,364)</u> |

11 Contingent liability

The company has entered into a composite cross guarantee with other group companies. At 31 December 2001, the maximum indebtedness under this guarantee was £396,000 (2000: £nil).

Notes *(continued)*

12 Ultimate parent undertaking

The ultimate parent company is York International Corporation, a company incorporated in the United States of America. Group financial statements can be obtained from PO Box 1592, York, Pennsylvania 17415, USA.

The company which heads the smallest group of companies for which consolidated group financial statements are drawn up is York International (Holdings) Limited. Group financial statements for York International (Holdings) Limited may be obtained from the Company Secretary, Gardiners Lane South, Basildon, Essex SS14 3HE.