

Company Number: 3166621

BMM Weston Holdings Limited

Directors' report and financial statements

**for the 52 weeks ended
1 October 2000**



BMM Weston Holdings Limited

Company Information

Directors	J S Cleaver (Chairman and managing director) J F Dawson R Fenner
Secretary	J S Cleaver
Company Number	3166621
Registered Office	Weston Works Faversham Kent ME13 7EB
Auditors	Reeves & Neylan 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Lloyds Bank plc 49 High Street Canterbury Kent CT1 2SE
Solicitors	Hammond Suddards Edge 7 Devonshire Square Cutler Gardens London EC2M 4YH

BMM Weston Holdings Limited

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Directors' report for the 52 weeks ended 1 October 2000

The directors present their report and the financial statements for the 52 weeks ended 1 October 2000.

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;
- 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.

Principal activities

The company's principal activity during the period was that of a holding company.

The company owns BMM Weston Limited and its subsidiaries. Details are provided within note 5 to these financial statements.

Directors

The directors who served during the period and their beneficial interests in the company's issued share capital were:

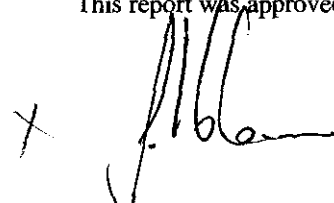
	<u>Ordinary shares of 1 each</u>	
	<u>1/10/00</u>	<u>4/10/99</u>
J S Cleaver	104,000	104,000
J F Dawson	-	-
R Fenner	-	-

Auditors

The auditors, Reeves & Neylan, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 9 February 2001 and signed on its behalf by


J S Cleaver
Secretary

Auditors' report to the shareholders of BMM Weston Holdings Limited

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of 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.

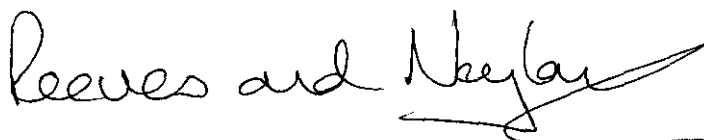
Basis of opinion

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 1 October 2000 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

A handwritten signature in dark ink, appearing to read 'Reeves and Neylan', with a long horizontal flourish extending to the right.

Reeves & Neylan
Chartered Accountants and Registered Auditors
Canterbury

9 February 2001

BMM Weston Holdings Limited

**Profit and loss account
For the 52 weeks ended 1 October 2000**

	Note	2000 £'000	1999 £'000
Other external charges		(12)	(12)
Operating loss	1	(12)	(12)
Income from investments in related companies		32	15
Interest payable		(180)	(202)
Loss on ordinary activities before taxation		(160)	(199)
Tax credit on loss on ordinary activities	3	180	214
Profit on ordinary activities after taxation		20	15
Dividends - On non-equity shares	4	(20)	(15)
Retained profit for the period		-	-
Retained profit brought forward		3	3
Retained profit carried forward		3	3

The notes on pages 5 to 9 form part of these financial statements.

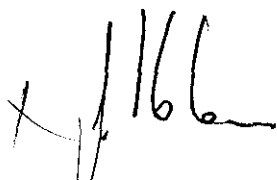
BMM Weston Holdings Limited

Balance sheet
As at 1 October 2000

	Note	£'000	2000 £'000	1999 £'000
Fixed assets				
Investments	5		3,613	3,613
Current assets				
Debtors	6	-		139
Cash at bank and in hand		1		63
		1		202
Creditors: amounts falling due within one year	7	(272)		(263)
Net current liabilities			(271)	(61)
Total assets less current liabilities			3,342	3,552
Creditors: amounts falling due after more than one year	8		(1,365)	(1,575)
Net assets			1,977	1,977
Capital and reserves				
Called up share capital	9		700	700
Other reserves			1,274	1,274
Profit and loss account			3	3
Shareholders' funds			1,977	1,977

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 9 February 2001 and signed on its behalf by


S Cleaver


Director

The notes on pages 5 to 9 form part of these financial statements.

**Notes to the financial statements
For the period ended 1 October 2000**

Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and include the results of the company's operations which are described in the Directors' Report.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1 Operating loss

The operating loss is stated after charging:

	2000	1999
	£'000	£'000
Auditors' remuneration	1	1
No director received any emoluments (1999 - Nil)		

2 Directors' remuneration

	2000	1999
	£'000	£'000
Aggregate emoluments	-	-

During the period, there were three serving directors. They received emoluments for services provided on behalf of the subsidiary company, BMM Weston Limited. The emoluments which were paid for by BMM Weston Limited were as follows :-

	2000	1999
	£'000	£'000
Directors emoluments for managerial services	202	186
Pension costs	10	10
	212	196

There were no other staff employed by BMM Weston Holdings Limited.

**Notes to the financial statements
For the period ended 1 October 2000**

3 Taxation

	2000	1999
	£'000	£'000
Current year taxation		
Group relief	(180)	(214)

Due to corporation tax losses incurred in the period, no liability to corporation tax arises on the results shown by these financial statements.

Tax losses of £180,000 (1999: £214,000) have been surrendered to BMM Weston Limited. A charge of £180,000 (1999: £214,000) has been made for the surrender.

4 Dividends

	2000	1999
	£'000	£'000
Preference	20	15

In accordance with FRS4 Capital Instruments, the company has recognised the cumulative preference dividends.

BMM Weston Holdings Limited

Notes to the financial statements For the period ended 1 October 2000

5 Fixed asset investments

	Shares in group undertakings £'000
Cost	
At 4 October 1999	3,613
At 1 October 2000	3,613

In the opinion of the directors the investment in the subsidiary company is worth in excess of its cost.

Subsidiary	Holding	Proportion held	Aggregate capital & reserves £'000	Profit in year 2000 £'000
BMM Weston Ltd	Ordinary £1 Preferred Ordinary £1	100% 100%	2,799	18

The subsidiary company carries on the business of designing, manufacturing and selling machinery for the foundry, dry cleaning and laundry industries, sterilisers for hospitals and the pharmaceutical industry. It is incorporated in England and Wales. There are no voting rights attached to the preferred ordinary shares.

The subsidiaries of BMM Weston Limited are as follows:

Subsidiary undertaking	Country of registration	Holding	Proportion held & voting rights	Nature of business
Discovery Electronics Ltd	England & Wales	Ordinary Preference	97.5% 100%*	Manufacture of electronic equipment
British Moulding Machine Ltd	England & Wales	Ordinary	100%	Dormant
Weston Laundry Machine Ltd	England & Wales	Ordinary	100%	Dormant
Drayton Castle Ltd	England & Wales	Ordinary	100%	Dormant
C F Doyle Ltd	England & Wales	Ordinary	100%	Dormant
BMM Weston International Ltd	England & Wales	Ordinary	100%	Dormant

* There are no voting rights attached to these preference shares.

BMM Weston Holdings Limited

**Notes to the financial statements
For the period ended 1 October 2000**

6 Debtors

	2000	1999
	£'000	£'000
Due within one year		
Amounts owed by group undertakings	-	139

7 Creditors:

Amounts falling due within one year

	2000	1999
	£'000	£'000
Other creditors- interest payable	28	32
Dividends payable	5	10
Other loans (note 8)	210	210
Income tax payable	9	10
Amounts owed to group undertakings	18	-
Accruals	2	1
	272	263

8 Creditors:

Amounts falling due after more than one year

	2000	1999
	£'000	£'000
Bank loans and overdrafts (secured)	1,365	1,575

A long term loan of £2,100,000 was advanced by 3i Group plc in April 1996, repayable by forty quarterly instalments of £52,500 which commenced on 30 April 1998. The loan bears interest at 10.75% and is secured by a fixed and floating charge over all property and assets present and future.

**Notes to the financial statements
For the period ended 1 October 2000**

9 Called up share capital

	2000	1999
	£'000	£'000
Authorised		
200,000 Ordinary shares of £1.00 each	200	200
1,274,035 'A' preference shares of £0.01 each	13	13
250,000 'B' preference shares of £1.00 each	250	250
250,000 'C' preference shares of £1.00 each	250	250
	<u>713</u>	<u>713</u>
Allotted, called up and fully paid		
200,000 Ordinary shares of £1.00 each	200	200
250,000 'B' preference shares of £1.00 each	250	250
250,000 'C' preference shares of £1.00 each	250	250
	<u>700</u>	<u>700</u>

'B' preference shares

The 'B' preference shares of £1 each entitle the holder to receive a fixed cumulative preferential dividend of 8 pence per annum per share effective from 1 January 1999, payable half-yearly on 30 June and 31 December, with the first payment due on 30 June 1999.

The shares rank in second priority for payment of dividend, carry no voting rights and are redeemable in full 40 days after resolution of a future event.

In the event of winding up or repayment, the holder is entitled to return of capital in the sum of £1 per share together with all arrears and accruals of dividend.

'C' preference shares

The 'C' preference shares of £1 carry no rights to dividend nor any voting rights. The shares are redeemable in full a year after resolution of a future event.

In the event of winding up or repayment, the holder is entitled to return of capital in the sum of £1 per share.

10 Related parties

The company is controlled by one of the directors, Mr JS Cleaver, by virtue of his 52% holding of the ordinary shares of the company.

During the period, the transactions with its 100% subsidiary company, BMM Weston Limited, were as follows:-

The company received an ordinary dividend of £32,000 in the period from BMM Weston Limited.

The company also received payment for tax losses as described in note 3.

The intercompany balances outstanding at 1 October 2000 are disclosed in note 7.