

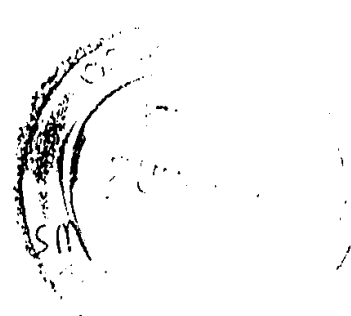
REPORT AND ACCOUNTS

Weir Group (Overseas Holdings)
Limited

1 JANUARY 1993

REGISTERED NO. 54821 (SCOTLAND)

 ERNST & YOUNG



Weir Group (Overseas Holdings) Limited

DIRECTORS' REPORT

The directors submit their annual report together with the audited accounts of the company for the 53 weeks ended 1 January 1993.

PRINCIPAL ACTIVITIES

The company is principally engaged in the acquisition and retention of investments, rights or interests in other companies outwith the United Kingdom.

RESULTS AND DIVIDEND

The profit for the year after taxation amounted to £1,480,214.

It is recommended that no dividend be paid leaving £1,480,214 to be carried to reserves.

REVIEW AND FUTURE DEVELOPMENTS

The directors intend to seek out and pursue attractive opportunities in new areas of business where sustainable growth can be achieved.

DIRECTORS

The directors during the year were:

I M Boyd
W Harkness
R Garrick

DIRECTORS' INTERESTS

No director had during or at the end of the year any material interest in any contract of significance in relation to the company's business.

No director had an interest in the share capital of the company during the year.

The interests of the directors in the share capital of The Weir Group PLC as at 1 January 1993 and at the end of the preceding financial year are given in the report of the directors of The Weir Group PLC for the 53 weeks ended 1 January 1993.

No director had an interest in the debenture stock or loan notes of The Weir Group PLC or in the shares or loan stock of any subsidiary of The Weir Group PLC.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board

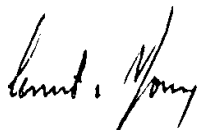

M J Kelly
Secretary

8 March 1993

REPORT OF THE AUDITORS
to the members of Weir Group (Overseas Holdings) Limited

We have audited the accounts on pages 3 to 8 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 1 January 1993 and of the profit and cash flows for the 53 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Glasgow

8 March 1993

Weir Group (Overseas Holdings) Limited

PROFIT AND LOSS ACCOUNT

for the 53 weeks ended 1 January 1993

	<i>Note</i>	<i>1992</i> £	<i>1991</i> £
Exchange gains/(losses)		34,357	(241,489)
Administration costs		(152)	-
Dividends receivable		1,147,628	251,505
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAX		1,181,833	10,016
Interest		433,586	376,971
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		1,615,419	386,987
Tax on profit on ordinary activities	3	135,205	(302,878)
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		1,480,214	689,865
Retained profit brought forward		3,975,454	3,285,589
Retained profit carried forward		5,455,668	3,975,454

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit for the period.

Weir Group (Overseas Holdings) Limited

BALANCE SHEET

at 1 January 1993

	Notes	1992 £	1991 £
FIXED ASSETS			
Investment in subsidiaries	4	5,922,714	5,922,714
Investment in associate		5,391	5,973
Loans to group companies	5	4,200,757	50,000
		<u>10,128,862</u>	<u>5,978,687</u>
CURRENT ASSETS			
Amounts owed by group companies		237,991	181,365
Sundry debtors		8,978	38,559
		<u>246,969</u>	<u>219,924</u>
CREDITORS: amounts falling due within one year			
Tax payable		358,924	428,087
Accruals and deferred income		250	-
		<u>359,174</u>	<u>428,087</u>
NET CURRENT LIABILITIES		<u>(112,205)</u>	<u>(208,163)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,016,657</u>	<u>5,770,524</u>
CREDITORS: amounts falling due after more than one year			
Loan from group company		-	52,475
Loan from parent company	6	4,535,990	1,742,495
PROVISION FOR LIABILITIES AND CHARGES			
Deferred tax	7	24,899	-
		<u>5,455,768</u>	<u>3,975,554</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account		5,455,668	3,975,454
	9	<u>5,455,768</u>	<u>3,975,554</u>

W Harkness

I M Boyd

8 March 1993

) Directors

Weir Group (Overseas Holdings) Limited

STATEMENT OF CASH FLOWS

for the 53 weeks ended 1 January 1993

	<i>Notes</i>	<i>1993</i> £	<i>1991</i> £
OPERATING ACTIVITIES			
Funds generated by operations	10(a)	35,353	-
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		433,586	376,971
Dividends received		1,091,002	154,065
		<u>1,559,941</u>	<u>531,036</u>
TAXATION - corporation tax		(151,222)	106,138
INVESTING ACTIVITIES			
Acquisition of subsidiary		-	(449,919)
NET CASH INFLOW BEFORE FINANCING		1,408,719	187,255
FINANCING			
Loans	10(b)	<u>(1,408,719)</u>	<u>(187,255)</u>

Weir Group (Overseas Holdings) Limited

NOTES TO THE ACCOUNTS

at 1 January 1993

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Group accounts

Group accounts are not prepared as the company is a wholly owned subsidiary of another body corporate. Unless otherwise stated, references to 'subsidiaries' and 'associates' are to be taken as references to subsidiary undertakings and associated undertakings respectively.

Foreign currency

Transactions in foreign currencies are converted at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Differences on exchange are dealt with through the profit and loss account as they arise. Investments in subsidiaries are stated at original cost.

Investment income

Investment income is included at the amount of cash received or receivable plus withholding tax.

Deferred taxation

Deferred taxation is provided on all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable. Advance Corporation Tax is written off except where recovery is assured beyond reasonable doubt.

2. DIRECTORS AND EMPLOYEES

The company had no employees in 1992 (1991 - Nil).

No director received any emoluments for either 1992 or 1991 in respect of services to the company.

3. TAX

	1992 £	1991 £
Charge based on the results of the year:		
UK Taxation		
Corporation tax at 33% (1991 - 33.25%)	563,889	148,152
Deferred tax	24,899	-
Less: Double tax relief	(210,234)	(6,426)
Overseas withholding tax suffered	97,816	6,426
	476,370	148,152
Adjustment to prior years	(341,165)	(451,030)
	135,205	(302,878)

Weir Group (Overseas Holdings) Limited

NOTES TO THE ACCOUNTS

at 1 January 1993

4. INVESTMENT IN SUBSIDIARIES

	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>% held</i>
The Weir Group International S.A	Switzerland	Equity	100
Hopkinsons (S.A) Pty Limited	South Africa	Equity	100
Weir Group Inc	USA	Equity	100
Strachan & Henshaw Australia Pty Limited	Australia	Equity	100
Strachan & Henshaw Pty Limited	South Africa	Equity	100

5. LOANS TO SUBSIDIARIES

	<i>1992 £</i>	<i>1991 £</i>
Weir Engineering Pty Limited	4,150,757	-
Hopkinsons (S.A) Pty Limited	50,000	50,000
	<u>4,200,757</u>	<u>50,000</u>

Weir Engineering Pty Limited is an unsecured loan which is wholly repayable within five years.

Hopkinsons (S.A) Pty Limited loan is an interest free unsecured loan which is wholly repayable within five years.

6. LOAN FROM PARENT COMPANY

This is an interest free unsecured loan which is wholly repayable within five years.

7. DEFERRED TAX

	<i>1992 £</i>	<i>1991 £</i>
Short term timing differences	<u>24,899</u>	<u>-</u>

8. SHARE CAPITAL

	<i>1992 £</i>	<i>1991 £</i>
Authorised, allotted, called up and fully paid: Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<i>1992 £</i>	<i>1991 £</i>
Profit for the financial period	1,480,214	689,865
Net addition to shareholders' funds	1,480,214	689,865
Opening shareholders' funds	3,975,554	3,285,689
Closing shareholders' funds	<u>5,455,768</u>	<u>3,975,554</u>

Weir Group (Overseas Holdings) Limited

NOTES TO THE ACCOUNTS

at 1 January 1993

10. STATEMENT OF CASH FLOWS

	1992 £	1991 £
(a) Reconciliation of profit on ordinary activities before interest and tax to net cash inflow from operating activities:		
Profit on ordinary activities before interest and tax	1,181,833	10,016
Dividends	(1,147,628)	(251,505)
Exchange	-	241,489
Sundry non cash	(436)	-
Funds generated by operations	33,769	-
Decrease in debtors	1,334	-
Increase in creditors	250	-
Decrease in working capital	1,584	-
Net cash inflow from operating activities	35,353	-

(b) Analysis of changes in financing:

	1992 £	Loans 1991 £
At 28 December 1991	1,744,970	1,696,583
Cash inflow from financing	(1,408,719)	(187,255)
Amount written off	(1,018)	-
Exchange	-	235,642
At 1 January 1993	335,233	1,744,970

11. CONTINGENT LIABILITIES

As at 1 January 1993 contingent liabilities outstanding were as follows:

Floating charges

There is a floating charge over the whole of the company's property and undertaking in support of a guarantee given jointly and severally with certain other fellow subsidiaries of The Weir Group PLC as security for £287,000 (1991 - £287,000) 10% debenture stock 1988/94 raised by The Weir Group PLC.

12. ULTIMATE PARENT COMPANY

The directors consider that The Weir Group PLC (registered in Scotland) is the company's ultimate parent company. This is the only parent undertaking for which group accounts are drawn up and of which the company is a member. The address from which copies of these group accounts are available to the public is: The Weir Group PLC, 149 Newlands Road, Cathcart, Glasgow, G44 4EX.