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Registered number
01359413

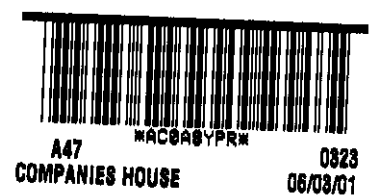
Anstee & Ware (Wales) Limited

Report and Accounts

31 December 2000

R.S.Porter & Co.

Chartered Accountants



Anstee & Ware (Wales) Limited
Report and accounts
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Anstee & Ware (Wales) Limited
Company Information

Directors

W.J.Anstee
M.Trigg

Secretary

W.J.Anstee

Auditors

R.S.Porter & Co
77/81 Alma Road
Clifton
Bristol
BS8 2DP

Bankers

Barclays Bank Plc
Park House
Newbrick Road
Stoke Gifford
Bristol

Solicitors

Sims Cook & Teague
40 High Street
Thornbury
Bristol

Registered office

Unit 1
St. Georges Industrial Estate
St. Andrews Road
Avonmouth
Bristol

Registered number

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Anstee & Ware (Wales) Limited
Directors' Report

The directors present their report and accounts for the year ended 31 December 2000.

Principal activity

The company's principal activity during the year continued to be the rewinding and sale of electric motors.

Results and dividends

The profit for the year, after taxation, amounted to £82,699. A dividend of £1.50 per share was paid in respect of the results of the two years ended 31st december 2000.

Future developments

The directors aim to maintain the management policies which have resulted in the company's growth in recent years.

Directors

The directors who served during the year were:

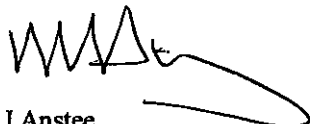
W.J.Anstee
M.Trigg

The directors had no beneficial interest in the shares of the company. Their interest in the shares of Anstee & Ware Group Limited (The parent company) are shown in the accounts of that company.

Auditors

A resolution to reappoint R.S.Porter & Co as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 27th February 2001.


W.J.Anstee
Director

Anstee & Ware (Wales) Limited
Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

Anstee & Ware (Wales) Limited
Auditors' Report

Report of the auditors
to the shareholders of Anstee & Ware (Wales) Limited

We have audited the accounts on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

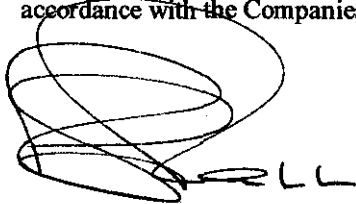
Basis of opinion

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 company's affairs as at 31st December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to be 'R.S. Porter & Co', written over a circular scribble.

R.S.Porter & Co
Chartered Accountants and Registered Auditors

77/81 Alma Road
Clifton
Bristol
BS8 2DP

27th February 2001

Anstee & Ware (Wales) Limited
Profit and Loss Account
for the year ended 31 December 2000

	Notes	2000 £	1999 £
Turnover	2	1,009,567	888,889
Cost of sales		(359,678)	(266,101)
Gross profit		<u>649,889</u>	<u>622,788</u>
Administrative expenses		(535,757)	(516,866)
Other operating income		-	10,283
Operating profit	3	<u>114,132</u>	<u>116,205</u>
Profit on ordinary activities before taxation		<u>114,132</u>	<u>116,205</u>
Tax on profit on ordinary activities	5	(31,433)	(34,352)
Profit for the financial year		<u>82,699</u>	<u>81,853</u>
Dividends:			
ordinary dividend on equity shares	6	(150,000)	-
Retained (loss)/profit for the financial year	13	<u>(67,301)</u>	<u>81,853</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

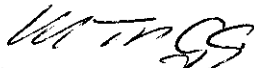
Anstee & Ware (Wales) Limited
Statement of total recognised gains and losses
for the year ended 31 December 2000

	Notes	2000 £	1999 £
Profit for the financial year		82,699	81,853
Total recognised gains and losses related to the year		<u>82,699</u>	<u>81,853</u>

Anstee & Ware (Wales) Limited
Balance Sheet
as at 31 December 2000

	Notes	2000 £	1999 £
Fixed assets			
Tangible assets	7	26,849	28,732
Current assets			
Stocks	8	20,006	28,676
Debtors	9	221,741	243,833
Cash at bank and in hand		129,402	92,116
		<u>371,149</u>	<u>364,625</u>
Creditors: amounts falling due within one year	10	(209,673)	(138,459)
Net current assets		<u>161,476</u>	<u>226,166</u>
Total assets less current liabilities		<u>188,325</u>	<u>254,898</u>
Provisions for liabilities and charges	11	(728)	-
		<u>187,597</u>	<u>254,898</u>
Capital and reserves			
Called up share capital	12	100,000	100,000
Profit and loss account	13	87,597	154,898
Shareholders' funds:			
Equity		<u>187,597</u>	<u>254,898</u>
	14	<u>187,597</u>	<u>254,898</u>

M. Trigg
Director



Approved by the board on 27th February 2001

Anstee & Ware (Wales) Limited
Cash Flow Statement
for the year ended 31 December 2000

	Notes	2000 £	1999 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		114,132	116,205
Depreciation charges		6,721	12,601
Decrease/(increase) in stocks		8,670	(3,747)
Decrease in debtors		22,092	486
Increase/(decrease) in creditors		75,294	(119,697)
Net cash inflow from operating activities		<u>226,909</u>	<u>5,848</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		226,909	5,848
Taxation		(34,785)	(33,289)
Capital expenditure	15	<u>(4,838)</u> 187,286	<u>6,700</u> (20,741)
Equity dividends paid		<u>(150,000)</u> 37,286	<u>-</u> (20,741)
Increase/(decrease) in cash		<u>37,286</u>	<u>(20,741)</u>
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period		37,286	(20,741)
Change in net debt	16	<u>37,286</u>	<u>(20,741)</u>
Net funds at 1 January		92,116	112,857
Net funds at 31 December		<u>129,402</u>	<u>92,116</u>

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

1 Accounting policies

Accounting convention

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

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Plant and machinery	over 5 years

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

3 Operating profit

	2000	1999
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	6,721	24,176
Operating lease rentals - plant and machinery	3,126	2,704
Auditors' remuneration	2,600	1,950

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

4 Staff costs	2000	1999
	£	£
Wages and salaries	281,992	288,719
Social security costs	33,901	29,299
Other pension costs	13,701	3,300
	<u>329,594</u>	<u>321,318</u>

Average number of employees during the year	Number	Number
Administration	2	2
Manufacturing	12	14
Sales	-	1
	<u>14</u>	<u>17</u>

5 Taxation	2000	1999
	£	£
UK corporation tax	30,705	35,306
Deferred taxation (note 11)	728	(954)
	<u>31,433</u>	<u>34,352</u>

6 Equity dividends	2000	1999
	£	£
Equity dividends on ordinary shares - interim paid	<u>150,000</u>	<u>-</u>

7 Tangible fixed assets	Short leasehold land and buildings	Plant and machinery	Total
	£	£	£
Cost			
At 1 January 2000	5,954	226,035	231,989
Additions	-	4,838	4,838
At 31 December 2000	<u>5,954</u>	<u>230,873</u>	<u>236,827</u>
Depreciation			
At 1 January 2000	5,954	197,303	203,257
Charge for the year	-	6,721	6,721
At 31 December 2000	<u>5,954</u>	<u>204,024</u>	<u>209,978</u>
Net book value			
At 31 December 2000	<u>-</u>	<u>26,849</u>	<u>26,849</u>
At 31 December 1999	<u>-</u>	<u>28,732</u>	<u>28,732</u>

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

8 Stocks	2000	1999
	£	£
Raw materials and consumables	13,878	19,988
Work in progress	6,128	8,688
	<u>20,006</u>	<u>28,676</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

9 Debtors	2000	1999
	£	£
Trade debtors	202,206	225,238
Amounts owed by group undertakings and undertakings in which the company has a participating interest	4,400	3,242
Prepayments and accrued income	15,135	15,353
	<u>221,741</u>	<u>243,833</u>

10 Creditors: amounts falling due within one year	2000	1999
	£	£
Trade creditors	41,314	30,927
Amounts owed to group undertakings and undertakings in which the company has a participating interest	63,258	36,737
Corporation tax	30,705	34,785
Other taxes and social security costs	26,483	31,173
Accruals and deferred income	47,913	4,837
	<u>209,673</u>	<u>138,459</u>

11 Provisions for liabilities and charges		
Deferred taxation:	2000	1999
	£	£
At 1 January	-	954
Charged to the profit and loss account	728	(954)
	<u>728</u>	<u>-</u>
At 31 December		

Deferred taxation provided in the accounts and the amounts not provided are as follows:

	Provided	Potential	Provided	Potential
	2000	2000	1999	1999
	£	£	£	£
Capital allowances in advance of depreciation	<u>728</u>	<u>954</u>	<u>-</u>	<u>9,491</u>

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

12 Share capital		2000	1999
		£	£
Authorised:			
Ordinary shares of £1 each		<u>100,000</u>	<u>100,000</u>
	2000	1999	
	No	No	
Allotted, called up and fully paid:		2000	1999
		£	£
Ordinary shares of £1 each		<u>100,000</u>	<u>100,000</u>

13 Profit and loss account		2000	1999
		£	£
At 1 January		154,898	73,045
Retained (loss)/profit		(67,301)	81,853
At 31 December		<u>87,597</u>	<u>154,898</u>

14 Reconciliation of movement in shareholders' funds		2000	1999
		£	£
At 1 January		254,898	173,045
Profit for the financial year		82,699	81,853
Dividends		(150,000)	-
At 31 December		<u>187,597</u>	<u>254,898</u>

15 Gross cash flows		2000	1999
		£	£
Capital expenditure			
Payments to acquire tangible fixed assets		(4,838)	-
Receipts from sales of tangible fixed assets		<u>3,064</u>	<u>2,048</u>
		(1,774)	2,048

16 Analysis of changes in net debt				
	At 1 Jan	Cash flows	Non-cash	At 31 Dec
	2000		changes	2000
	£	£	£	£
Cash at bank and in hand	92,116	37,286		129,402
Total	<u>92,116</u>	<u>37,286</u>	<u>-</u>	<u>129,402</u>

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

17 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2000 £	Land and buildings 1999 £	Other 2000 £	Other 1999 £
Operating leases which expire:				
within one year	26,000	43,250	-	-
within two to five years	51,750	86,250	-	-
	<u>77,750</u>	<u>129,500</u>	<u>-</u>	<u>-</u>

20 Ultimate and immediate parent company

The company is a 100% owned subsidiary of Anstee & Ware Group Limited incorporated and resident in England and Wales.

The company conducted trade on normal commercial terms with the parent company and fellow subsidiary companies in the year:

	2000 Purchases £	2000 Sales £	1999 Purchases £	1999 Sales £
<u>Parent</u>				
Anstee & Ware Group Ltd.	60,642	-	57,046	-
<u>Fellow Subsidiaries</u>				
Anstee & Ware Ltd.	183,909	46,715	189,453	60,290
Anstee & Ware (Glos) Ltd.	-	203	1,286	1,860
Industrial Power Distribution Ltd	31,096	-	8,323	-
Scott Mechanical Engineering Ltd.	-	-	-	540

At the year end the following amounts were outstanding in respect of these transactions:

	2000 Debtors £	2000 Creditors £	1999 Debtors £	1999 Creditors £
<u>Parent</u>				
Anstee & Ware Group Ltd.	-	13,572	-	5,655
<u>Fellow Subsidiaries</u>				
Anstee & Ware Ltd.	2,175	40,614	3,242	29,679
Anstee & Ware (Glos) Ltd.	-	32	-	-
Industrial Power Distribution Ltd	-	6,098	-	1,402
Scott Mechanical Engineering Ltd.	-	-	-	127

Anstee & Ware (Wales) Limited
Notes to the Accounts
for the year ended 31 December 2000

21 Related party transactions

The company conducted trade on normal commercial terms with the following company in which all the directors (or their families) had a material interest:

	2000	2000	1999	1999
	Purchases	Sales	Purchases	Sales
	£	£	£	£
A.W.Sterne Ltd.	7,349	6,636	1,012	1,239

At the year end the following amounts were outstanding in respect of these transactions:

	2000	2000	1999	1999
	Debtors	Creditors	Debtors	Creditors
	£	£	£	£
A.W.Sterne Ltd.	2,225	2,942	738	-

18 Financial commitments

The company entered into a guarantee arrangement with its lenders to secure overdraft facilities of the parent company, Anstee & Ware Group Ltd, and its fellow subsidiaries, Anstee & Ware (Glos) Ltd, Industrial Power Distribution Ltd, Scott Mechanical Engineering Ltd, Anstee & Ware Ltd and Anstee & Ware (Midlands) Ltd.