

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 30th September 1993.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company did not trade during the year and is not expected to do so in the foreseeable future. The profit for the year attributable to shareholders was £NIL (1992: loss £509). The directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the year were:

B A Edisbury, J Westwood, T Ryan (resigned on 31 December 1992).

B A Edisbury and J Westwood had the following interests in (including options to subscribe for) the shares and the loan stocks of group companies:

Ordinary 10p shares of Johnson & Firth Brown plc	30th September 1993		30th September 1992		Date option granted
	No. of shares	Options	No. of shares	Options	
B A Edisbury	Nil	65,000	Nil	125,000	13.2.1986
		25,000		25,000	30.6.1989
		20,000		20,000	18.1.1991
		50,000		-	05.1.1993
J Westwood	2,285	-	-	-	-

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF ACCOUNTS

The directors acknowledge that they are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit for that period. They also acknowledge their responsibility for arrangements to ensure that:

- \* adequate accounting records are maintained;
- \* the assets of the company are properly safeguarded;
- \* the scope for fraud and other irregularities is minimised.

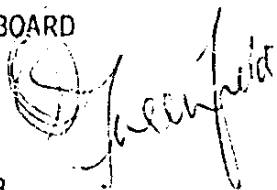
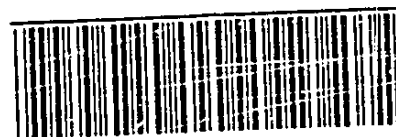
The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements, and that applicable accounting standards have been followed.

AUDITORS

The company intends to take advantage of the exemption clause within Section 250 of the Companies Act 1985 releasing the company from the necessity to reappoint the auditors and a special resolution to this effect will be put to the annual general meeting.

BY ORDER OF THE BOARD

C GREENFIELD  
Secretary  
Manchester  
9th December 1993

REPORT OF THE AUDITORS TO THE MEMBERS OF N GREENING & SONS LIMITED

We have audited the financial statements on pages 3 and 4 .

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 these statements and to report our opinion to you.

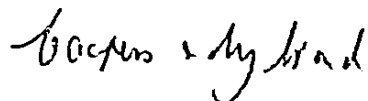
Basis of opinion

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 affairs of the company at 30 September 1993 and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand

Chartered Accountants and Registered Auditors  
Manchester  
9th December 1993

N GREENING & SONS LIMITEDPROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER 1993

	<u>Notes</u>	1993 £	1992 £
Write off of investment		<u>-</u>	<u>(509)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		<u>-</u>	<u>(509)</u>
WITHDRAWN FROM RESERVES		<u>-</u>	<u>(509)</u>

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

BALANCE SHEET AT 30TH SEPTEMBER 1993

		£	£
CURRENT ASSETS			
Amount due from ultimate holding company		<u>4,606,576</u>	<u>4,606,576</u>
TOTAL ASSETS		<u>4,606,576</u>	<u>4,606,576</u>
CAPITAL AND RESERVES			
Called up share capital	2	5,847,500	5,847,500
Profit and loss account		<u>(1,240,924)</u>	<u>(1,240,924)</u>
		<u>4,606,576</u>	<u>4,606,576</u>

Approved by the board of directors on 9th December 1993

*J. Welwood*  
*B. Edsberg*

)Directors  
)9th December 1993

## 1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the historical cost basis of accounting.

## 2. SHARE CAPITAL

	<u>1993</u>	<u>1992</u>
	£	£
Authorised		
Ordinary shares of 25p each	6,000,000	6,000,000
3.5% cumulative preference shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>6,100,000</u>	<u>6,100,000</u>
Allotted, called up and fully paid		
22,990,000 ordinary shares of 25p each	5,747,500	5,747,500
100,000 3.5% cumulative preference shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>5,847,500</u>	<u>5,847,500</u>

Arrears of all preference dividends due on or before 30th September 1993 have been waived.

## 3. DIRECTORS' EMOLUMENTS

No director received any emoluments from the company (1992 - NIL).

## 4. AUDITORS' REMUNERATION

Auditors' remuneration was borne by the holding company.

## 5. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Johnson & Firth Brown plc, a company incorporated in England. Copies of the consolidated financial statements may be obtained from Weston House, Manchester Road, Clifton, Manchester M27 6AE.