

Company Registration No 2030483 (England and Wales)

BRIGGS & STRATTON UK LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 JULY 2006



birdluckin

BRIGGS & STRATTON UK LIMITED

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BRIGGS & STRATTON UK LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 2 JULY 2006

The directors present their report and financial statements for the period ended 2 July 2006

Principal activities

The principal activity of the company continued to be that of the sale of internal combustion engines and related parts for the outdoor equipment industry on behalf of group companies

Directors

The following directors have held office since 4 July 2005

M Pasdari	(Appointed 11 October 2005)
C R Twinem	
M Jaeger	(Appointed 11 October 2005)
B Peachey deceased	(Deceased 7 June 2006)
K Paige	(Appointed 11 October 2005 and resigned 8 December 2006)
M Schoen	(Resigned 11 October 2005)
JE Brenn	(Resigned 11 October 2005)

Directors' interests

The directors' interests in the shares of the company were as stated below

	Ordinary of £1 each	
	2 July 2006	4 July 2005
C R Twinem	-	-
M Pasdari	-	-
M Jaeger	-	-
K Paige	-	-

The directors have no direct interest in the shares of the company. Their interests in the shares of the parent company, Briggs & Stratton Corporation, are shown in the financial statements of that company

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Bird Luckin Limited be reappointed as auditors of the company will be put to the Annual General Meeting

BRIGGS & STRATTON UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 2 JULY 2006

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

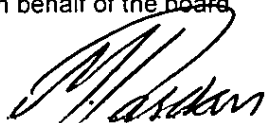
Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



M Pasdari

23 April 2007

BRIGGS & STRATTON UK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF BRIGGS & STRATTON UK LIMITED

We have audited the financial statements of Briggs & Stratton UK Limited for the period ended 2 July 2006 set out on pages 5 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Smaller Entities, in the circumstance set out in note X to the financial statements.

BRIGGS & STRATTON UK LIMITED

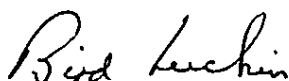
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF BRIGGS & STRATTON UK LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 2 July 2006 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Bird Luckin Limited

Chartered Accountants
Registered Auditor

26 April 2007

Burntwood House
7 Shenfield Road
Brentwood
Essex
CM15 8AF

BRIGGS & STRATTON UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 2 JULY 2006

		52 Weeks ended 2 July 2006 £	53 Weeks ended 3 July 2005 £
	Notes		
Turnover		2,389,824	1,963,929
Administrative expenses		(2,202,107)	(1,720,765)
Other operating income		8,132	-
Operating profit	2	195,849	243,164
Other interest receivable and similar income	3	-	12,259
Interest payable and similar charges		(1,025)	(1,402)
Profit on ordinary activities before taxation		194,824	254,021
Tax on profit on ordinary activities	4	(80,207)	40,211
Profit for the period	10	114,617	294,232

BRIGGS & STRATTON UK LIMITED

BALANCE SHEET

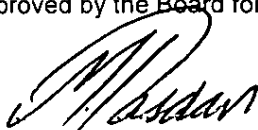
AS AT 2 JULY 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	5		54,126		125,820
Current assets					
Debtors	6	902,024		1,202,863	
Cash at bank and in hand		258,133		229,633	
		1,160,157		1,432,496	
Creditors' amounts falling due within one year	7	(269,321)		(727,971)	
Net current assets			890,836		704,525
Total assets less current liabilities			944,962		830,345
Capital and reserves					
Called up share capital	9	100,000		100,000	
Profit and loss account	10	844,962		730,345	
Shareholders' funds			944,962		830,345

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved by the Board for issue on

23 Apr 2007



M Pasdari
Director

BRIGGS & STRATTON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 2 JULY 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents sales commission receivable from other group undertakings

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	over the life of the lease
Plant and machinery	5 - 50% straight line
Motor vehicles	25% reducing balance

1.5 Leasing

All leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term even if payments are not made on such a basis

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the period in accordance with FRSSE (Effective January 2005)

1.7 Deferred taxation

Deferred taxation is provided in full in respect of deferred taxation by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

1.9 Financial year

The financial statements are made up to the Sunday nearest 30 June each year. Periodically this results in a financial year of 53 weeks. The financial year of the company ending 2 July 2006 consists of 52 weeks, while the period ending 3 July 2005 consists of 53 weeks

1.10 Commission agent

Briggs & Stratton UK Limited is a commission agent for Briggs & Stratton Switzerland. The company receives commission equal to the costs that are directly related to the Commission Merchant's activities plus a profit mark up

BRIGGS & STRATTON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2006

2	Operating profit	2006	2005
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	47,977	38,511
	Auditors' remuneration	9,000	8,000
	Directors' emoluments	122,206	77,443
		<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2005 - 1)

3	Investment income	2006	2005
		£	£
	Other interest	-	12,259
		<u> </u>	<u> </u>

4	Taxation	2006	2005
		£	£
	Domestic current year tax		
	U K corporation tax	82,000	41,494
	Adjustment for prior years	(1,793)	(81,705)
		<u> </u>	<u> </u>
	Current tax charge	80,207	(40,211)
		<u> </u>	<u> </u>

BRIGGS & STRATTON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2006

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 4 July 2005	112,879	184,448	297,327
Additions	-	39,166	39,166
Disposals	(91,379)	(168,674)	(260,053)
	<u>21,500</u>	<u>54,940</u>	<u>76,440</u>
At 2 July 2006			
Depreciation			
At 4 July 2005	49,421	122,088	171,509
On disposals	(57,814)	(139,358)	(197,172)
Charge for the period	10,543	37,434	47,977
	<u>2,150</u>	<u>20,164</u>	<u>22,314</u>
At 2 July 2006			
Net book value			
At 2 July 2006	<u>19,350</u>	<u>34,776</u>	<u>54,126</u>
At 3 July 2005	<u>63,457</u>	<u>62,363</u>	<u>125,820</u>

6 Debtors

	2006 £	2005 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	808,415	1,033,528
Other debtors	93,609	169,335
	<u>902,024</u>	<u>1,202,863</u>

7 Creditors amounts falling due within one year

	2006 £	2005 £
Trade creditors	43,871	548,807
Taxation and social security	159,505	126,401
Other creditors	65,945	52,763
	<u>269,321</u>	<u>727,971</u>

BRIGGS & STRATTON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2006

8 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £61,892 (2005- £(1,875)). Contributions totalling £nil (2005- £nil) were payable to the fund at the year end and are included in creditors.

Defined contribution

	2006 £	2005 £
Contributions payable by the company for the period	61,892	(1,875)

9 Share capital

	2006 £	2005 £
Authorised		
100,000 Ordinary of £1 each	100,000	100,000
Allotted, called up and fully paid		
100,000 Ordinary of £1 each	100,000	100,000

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 4 July 2005	730,345
Profit for the period	114,617
Balance at 2 July 2006	844,962

BRIGGS & STRATTON UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 JULY 2006

11 Financial commitments

At 2 July 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 2 July 2007

	2006 £	2005 £
Operating leases which expire		
Within one year	10,281	7,326
Between two and five years	109,513	84,102
In over five years	39,750	39,750
	<hr/>	<hr/>
	159,544	131,178
	<hr/>	<hr/>

12 Control

The company is a wholly owned subsidiary of Briggs & Stratton Corporation, incorporated in the State of Wisconsin in the USA

This is both the immediate and ultimate parent company. The financial statements of the company are included in the consolidated financial statements Briggs & Stratton Corporation, which are available to the public from the Department of the Corporate Secretary, Post Office Box 702, Milwaukee, Wisconsin 53201, USA

13 Related party transactions

No related transactions have been disclosed as the company has taken advantage of the exemption under FRSSE (effective January 2005), on the basis that it is a 100% owned subsidiary of a company for which consolidated financial statements are publicly available