

THE HAVENS MANAGEMENT LIMITED

**REPORT & ACCOUNTS
31ST DECEMBER 1998**

ENGLISH COMPANY REGISTRATION NO. 2656701



THE HAVENS MANAGEMENT LIMITED

Registered No. 2656701

DIRECTORS

H C Pinto (Chairman)

A C S Sunaway

SECRETARY

C P Wolf

AUDITORS

Ernst & Young

Becket House

1 Lambeth Palace Road

London SE1 7EU

BANKERS

Midland Bank plc

168 High Street

Guildford

Surrey GU1 3YU

SOLICITORS

Eversheds

Franciscan House

51 Princes Street

Ipswich IP1 1UR

REGISTERED OFFICE

Ransomes Way

Ipswich

England IP3 9QG

THE HAVENS MANAGEMENT LIMITED

DIRECTORS' REPORT

The directors present their report and the audited accounts of the company for the fifteen months ended 31st December 1998.

CHANGE OF ULTIMATE PARENT UNDERTAKING

In January 1998, Textron Acquisition Limited, an indirect wholly owned subsidiary of Textron Inc., acquired the entire ordinary and 8.25p cumulative preference issued share capital of the previous ultimate parent undertaking Ransomes plc.

CHANGE OF ACCOUNTING REFERENCE DATE

As a consequence of the acquisition of Ransomes Plc by Textron Acquisition Limited in January 1998, the company changed its year end from 30th September to 31st December, to bring it into line with its parent. The accounts therefore cover the period from 1st October 1997 to 31st December 1998.

PRINCIPAL ACTIVITY AND REVIEW OF OPERATIONS

The principal activity of the company is to manage common parts of the Havens, a 65 acre high quality business park area situated at Ransomes Europark, Ipswich.

The company's performance was satisfactory for the period achieving neither a profit or loss.

RESULTS AND DIVIDEND

The company made neither a profit or loss in the current period (1997-12months : £ Nil). No dividend is proposed in respect of the current period (1997-12months : £ Nil).

DIRECTORS AND THEIR INTERESTS

The directors who held office during the period were as follows:

P.G. Wilson (resigned – 25th June 1999)

P.R. Hollingworth (resigned – 26th February 1999)

Mr.J.Clement resigned on 16th March 1998

Mr H C Pinto was appointed a director on 8th March 1999

Mr A C S Sunaway was appointed a director on 14th July 1999

No director has a service contract with the company.

No director had any interest in the shares of the company.

THE HAVENS MANAGEMENT LIMITED

DIRECTORS' REPORT Continued

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Insurance has been taken out by the company (under Section 310(3) of the Companies Act 1985) for its directors and officers against liabilities in relation to the company.

CLOSE COMPANY STATUS

The company is not a close company as defined in the Income and Corporation Taxes Act 1988.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 of the company 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 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 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.

YEAR 2000

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in event that there is a failure by other parties to remedy their own year 2000 issues.

Our Year 2000 Project has substantially achieved the target set by our ultimate parent undertaking, Textron Inc., of being fully ready in all areas of risk by the end of June 1999. Work continues and we will have contingency plans in place so that no year 2000 related failure will jeopardise our business at the turn of the millennium (see also 1998 Textron Inc. accounts).


The costs of implementing our year 2000 plan have and will be borne by a sister company.

THE HAVENS MANAGEMENT LIMITED
DIRECTORS' REPORT Continued

AUDITORS

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

By Order of the Board


A C S Sunaway
Director 24/1/24

REPORT OF THE AUDITORS TO THE MEMBERS OF THE HAVENS MANAGEMENT LIMITED

We have audited the accounts on pages 6 to 9, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

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.

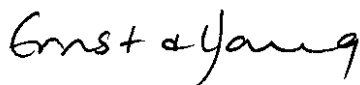
Basis of opinion

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 affairs of the company as at 31st December 1998 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
London

24.11.99

THE HAVENS MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 15 MONTHS ENDED 31ST DECEMBER 1998 CONTINUING OPERATIONS

	Notes	Fifteen months to 31 st December 1998 £'000	Twelve months to 30 th September 1997 £'000
Turnover	1	12	10
Administrative expenses		(12)	(10)
		<hr/>	<hr/>
Result on ordinary activities before taxation	6	-	-
Taxation on result on ordinary activities		-	-
		<hr/>	<hr/>
Result for the financial period/year		-	-
		<hr/> <hr/>	<hr/> <hr/>

All recognised gains and losses for the reported periods are reflected in the profit and loss account.

THE HAVENS MANAGEMENT LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1998

		1998 £'000	30 th September 1997 £'000
Current assets	Notes		
Debtors	3	-	3
Creditors: amounts falling due within one year	4	(3)	(6)
		<hr/>	<hr/>
Net current liabilities		(3)	(3)
		<hr/>	<hr/>
Net liabilities		(3)	(3)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	5	3	3
Profit and loss account	7	(6)	(6)
		<hr/>	<hr/>
Equity Shareholders' Funds	7	(3)	(3)
		<hr/>	<hr/>

Approved by the Directors
and signed on their behalf by


H C Pinto
Director

24/11/99

THE HAVENS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS AT 31ST DECEMBER 1998

ACCOUNTING POLICIES

Fundamental accounting concept

The company is dependent upon the support of Ransomes Plc which has subordinated the amounts due to it to the claims of other creditors and has indicated it's intention to provide sufficient finance and support to enable the company to meet its obligations for the foreseeable future. The directors have therefore prepared the accounts on a going concern basis.

Basis of Accounting

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

Turnover

Turnover represents service charge income charged to occupiers of the Havens in respect of administrative expenses incurred by the management company.

1 TURNOVER

All turnover is generated in the United Kingdom and concerns the recharge of administrative expenses.

2 EMPLOYEES

The company had no employees during the period (1997-12 months : Nil)

3 DEBTORS

	1998 £'000	30th September 1997 £'000
Trade debtors	-	3
	<u> </u>	<u> </u>

4 CREDITORS: amounts falling due within one year

Amounts owed to fellow subsidiary undertaking	3	6
	<u> </u>	<u> </u>

THE HAVENS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS

AT 31ST DECEMBER 1998 Continued

5 CALLED UP SHARE CAPITAL

	1998 £'000	30th September 1997 £'000
Authorised: 3,000 'A' ordinary shares of £1 each and 2,000 'B' ordinary shares of £1 each	5	5
Issued and fully paid: 3,000 'A' ordinary shares of £1 each and 8 'B' ordinary shares of £1 each	3	3

The issued 'A' shares are held by Ransomes Park Limited and five of the issued 'B' shares are held by the Scottish Provident Institution. The remaining three issued 'B' ordinary shares are held by Securicor Omega Container Logistics Limited (formerly Russell Davies Properties Limited). Holders of each class of share have equal voting rights, rights to dividends and equal rights to assets on a winding up.

6 DIRECTORS' EMOLUMENTS AND AUDIT FEES

Audit fees for both periods were borne by Ransomes Park Limited, it's immediate parent undertaking. None of the directors were remunerated in respect of services to the company during the period (1997-12 months : £ Nil).

7 SHAREHOLDERS' FUNDS

There were no movements in shareholders' funds or reserves during the reported periods.

8 PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is Ransomes Park Limited. Ransomes Park Limited is owned by Ransomes plc, which is consolidated within the group accounts of Textron Acquisition Limited, copies of which are available from its registered office: 23 Bedford Row, London, WC1R 4EB.

The company's ultimate parent undertaking and controlling party is Textron Inc., which is incorporated in the United States of America. Copies of it's group accounts, are available from Textron Inc., 40 Westminster Street, Providence, Rhode Island 02903, USA.

In accordance with FRS8 related party disclosures are not required as the company is a 100% owned subsidiary undertaking.