

Chestview (North East) Limited

**Directors' report and financial
statements**

Registered number 2935264

31 March 2002



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2002.

Principal activities and review of business

The principal activity of the company is the development of commercial, retail and industrial sites, although the company did not trade during the year.

Results and dividends

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a final dividend.

Directors and their interests

The directors, none of whom has beneficial interests in the shares of the company, who held office during the period were as follows:

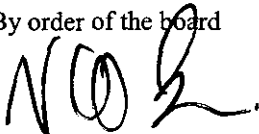
Mr JR Kazer (resigned 25 October 2001)
Mr NC O'Brien
Mr JE Brown

The company is a wholly-owned subsidiary of Speedy Hire Plc and the interests in the share capital of the holding company of Mr NC O'Brien, and Mr JE Brown who are directors of that company are disclosed in its annual report and accounts.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



Mr NC O'Brien
Director

27/3/03

Newmarket House
20 The Parks
Newton le Willows
Merseyside
WA12 0JR

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

St James' Square
Manchester M2 6DS
United Kingdom

Independent auditors' report to the members of Chestview (North East) Limited

We have audited the financial statements on pages 4 to 8.

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 auditor's 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 directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

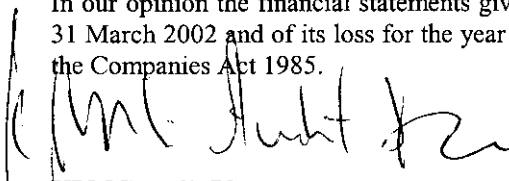
Basis of audit opinion

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 the company's affairs as at 31 March 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Audit Plc
Chartered Accountants
Registered Auditors

27/02/03

Profit and loss account
for the year ended 31 March 2002

	<i>Note</i>	2002 £	2001 £
Administrative expenses		(1)	-
Operating loss		(1)	-
Interest receivable		-	683
Loss on ordinary activities before taxation		(1)	683
Tax on profit on ordinary activities		-	-
Loss for the financial year		(1)	683
Dividends	3	-	(14,715)
Retained loss for the year		(1)	(14,032)
Retained profit brought forward		683	14,715
Retained profit carried forward		682	683

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

Balance sheet
at 31 March 2002

	<i>Note</i>	2002 £	2001 £
Current assets			
Debtors	4	787	787
Cash at bank and in hand		2	2
		<hr/>	<hr/>
		789	789
Creditors: amounts falling due within one year	5	(105)	(104)
		<hr/>	<hr/>
Net assets		684	685
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	2	2
Profit and loss account		682	683
		<hr/>	<hr/>
Equity Shareholders' funds	7	684	685
		<hr/>	<hr/>

These financial statements were approved by the board on 27/02/03 and signed on its behalf by:



Mr NC O'Brien
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Related party transactions

The directors have taken advantage of the exemption from the disclosure of related party transactions with other group companies as permitted of Financial Reporting Standard 8 – 'Related Party Transactions'.

2 Directors and employees

The average monthly number of employees, including directors, during the year was as follows:

	2002	Number	2001
Office and management	2		2

No directors or employees received any remuneration from the company in either the current or preceding year.

3 Dividends

	2002	2001
	£	£
Equity dividends		
Ordinary interim dividends – paid	-	14,715

Notes (continued)

4 Debtors

	2002 £	2001 £
Amounts owed by group undertakings	787	787

5 Creditors: amounts falling due within one year

	2002 £	2001 £
Bank overdraft	105	104

The bank overdraft is secured by cross guarantees and debentures given by all group companies in favour of Barclays Bank PLC.

6 Share capital

	2002 Number	2001 Number
<i>Authorised</i> Equity 1,000 Ordinary shares of £1 each	1,000	1,000
	£	£
<i>Allotted, called up and fully paid</i> Equity 2 Ordinary shares of £1 each	2	2

7 Reconciliation of movement in shareholders' funds

	2002 £	2001 £
(Loss) / Profit for the financial year	(1)	683
Dividends	-	(14,715)
Decrease in shareholders' funds	(1)	(14,032)
Opening shareholders' funds	685	14,717
Closing shareholders' funds	684	685

Notes (continued)

8 Ultimate parent undertaking

The directors consider the ultimate parent company to be Speedy Hire Plc, which is the only undertaking that prepares group accounts including the financial statements of the company.

The consolidated group accounts are available from; the Company Secretary, Chase House, 16 The Parks, Newton le Willows, Merseyside, WA12 0JQ.

9 Control

As described in note 8, the company was under the immediate control of Speedy Hire Plc throughout this and the previous year.

In the opinion of the directors, Speedy Hire Plc has no controlling party under the definitions contained in Financial Reporting Standard 8 – 'Related Party Disclosures'.

10 Contingent liabilities

The company continues to have unlimited cross guarantee in respect of the bank borrowings of Speedy Hire Plc and a number of its subsidiaries. At 31 March 2002 such borrowings amounted to £11,810,000 (2001: £11,266,000).