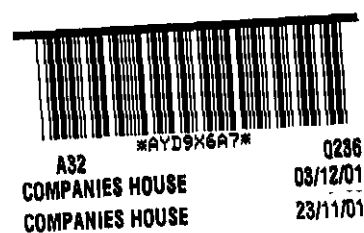


FOOTWEAR CORPORATION LIMITED

DIRECTORS' REPORT
AND ACCOUNTS

FOR THE YEAR ENDED
31 JANUARY 2001

Company Number: 11076



FOOTWEAR CORPORATION LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31st JANUARY 2001

REVIEW OF ACTIVITIES

The Company did not trade during the year, incurred no liabilities and consequently made neither profit or loss. As the Company is dormant and in accordance with Sections 249AA(1) and 249(B) of the Companies Act 1985 the Company is exempt from obtaining an audit.

DIRECTORS

Sears Corporate Director Limited
Fourth Floor
Euston House
132 Hampstead Road
London
NW1 2PS

COMPANY SECRETARY

Sears Company Secretary Limited
Fourth Floor
Euston House
132 Hampstead Road
London
NW1 2PS

SIGNED ON BEHALF OF THE BOARD



Sears Company Secretary Limited

22nd May 2001

FOOTWEAR CORPORATION LIMITED

BALANCE SHEET
AS AT 31st JANUARY 2001

	<u>Notes</u>	<u>2001</u> £000	<u>2000</u> £000
CURRENT LIABILITIES			
Creditors (due within one year):			
Amounts due to Group undertakings		(5,282)	(5,282)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(5,282)</u>	<u>(5,282)</u>
CAPITAL AND RESERVES			
Called up share capital	2	1,500	1,500
Share premium account		10,000	10,000
Profit and loss account		<u>(16,782)</u>	<u>(16,782)</u>
EQUITY SHAREHOLDER'S DEFICIT		<u>(5,282)</u>	<u>(5,282)</u>


For the year ended 31st January 2001 the Company was entitled to exemption under Section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- ensuring the Company keeps accounting records which comply with Section 221
- preparing accounts which give a true and fair view of the state of the affairs of the Company as at the end of the financial year, and its profit or loss for the financial year, in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

Approved by the Board:


SEARS CORPORATE DIRECTOR LIMITED
Director

22nd May 2001

The notes on page 3 form part of the financial statements.

FOOTWEAR CORPORATION LIMITED

NOTES ON THE ACCOUNTS **FOR THE YEAR ENDED 31st JANUARY 2001**

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTS

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

The profit and loss account and balance sheet of the Company are drawn up to 31st January 2001 and in the prior year to the nearest Saturday to 31st January being 29th January 2000.

2. EQUITY SHARE CAPITAL

	<u>2001</u>	<u>2000</u>
Authorised		
1,537,000 Ordinary shares of £1 each	<u>£1,537,000</u>	<u>£1,537,000</u>
Issued and fully paid		
1,500,000 Ordinary shares of £1 each	<u>£1,500,000</u>	<u>£1,500,000</u>

3. ULTIMATE PARENT UNDERTAKING

The directors regard the ultimate parent undertaking of Footwear Corporation Limited as being January Corporation Limited, a company incorporated in Jersey ultimately controlled by Sir David Barclay and Sir Fredrick Barclay. The accounts of The Retail Corporation plc are the smallest consolidated accounts incorporating the results of the Company; the accounts of January Investments Limited are the largest; copies of these accounts can be obtained from the Company's registered office, the address of which is shown in the Report of the Directors.

As permitted by Financial Reporting Standard 8, "Related Party Disclosures", transactions with other entities within the Sears Limited group are not disclosed.