

COMPANIES FORM No. 155(6)b
Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares

155(6)b

Please do not
write in this
margin

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies
(Address on page 3 - Note 5)

For official use

Company number

486396

Note
Please read the notes
on page 3 before
completing this form.

* insert full name
of company
* insert name(s) and
address(es) of all
the directors

Name of company

* DONVALE HOLDINGS LIMITED

~~† We~~ Ø

JOHN RICHARD EDWARDS of 65 Carsick Hill Crescent, Sheffield S10 3LS
PETER DAVID EDWARDS of 14 Petworth Drive, Sheffield S11 9QU
WALTER NOEL EDWARDS of 46 Stumperlowe Park Road, Sheffield S11 7LG
DOUGLAS LESLIE FLETCHER of 143 High Storrs Road, Sheffield S11 7LG
and BRIAN EDWARD BELL of Cowley Gore, Cowley Lane, Holmesfield, Sheffield S18 5SD

† delete as
appropriate

~~[the sole director]~~ [all the directors]† of the above company (hereinafter called "this company") do
solemnly and sincerely declare that:

§ delete whichever
is inappropriate

The business of the company is:

- (a) ~~that of a [recognised bank] [licensed institution]† within the meaning of the Banking Act 1979§~~
(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on~~
~~insurance business in the United Kingdom§~~
(c) something other than the above§

The company is ~~[the]†~~ holding company of*
G & J HALL LIMITED

which is proposing to give financial assistance in connection with the acquisition of shares
in ~~[this company]†~~

the holding company of this company.]†

Presenter's name address and
reference (if any):

MESSRS. MORTON PRICE
BELMAYNE HOUSE
99 CLARKEHOUSE ROAD
SHEFFIELD
S10 2LN

For official Use
General Section

Post room



The assistance is for the purpose of [that acquisition]² reducing or discharging a liability incurred for the purpose of that acquisition[†] (note 1)

Please do not write in this margin

The number and class of the shares acquired or to be acquired is:

2,240,000 Ordinary Shares of £1.00 each

Please complete legibly, preferably in black type, or bold block lettering

The assistance is to be given to: (note 2)

NEWTOPCO LIMITED (Company Number 5210410) whose registered office is at Belmayne House, 99 Clarkehouse Road, Sheffield S10 2LN and RH TRUSTEES LIMITED (Company Number 5210430) whose registered office is at Belmayne House, 99 Clarkehouse Road, Sheffield S10 2LN and RH TRADING LIMITED (Company Number 5210430) whose registered office is at Belmayne House, 99 Clarkehouse Road Sheffield S10 2LN

The assistance will take the form of:

1. The payment of professional and other costs incurred by Newtopco Limited and RH Trading Limited in relation to the acquisitions of the issued share capital of G & J Hall Limited by and liquidation of Newtopco Limited and RH Trading Limited where such acquisitions form part of the demerger of the Company and G & J Hall Limited pursuant to Section 110 of the Insolvency Act 1986 ("the Demerger") and the costs of those companies in relation to the Demerger ("the Costs").
2. The creation of a Debenture in favour of the Company in respect of G & J Hall Limited's indebtedness to the Company ("the Debenture").
3. The creation of a Deed of Priority between the Company, G & J Hall Limited and The Royal Bank of Scotland Plc ("the Deed of Priority").
4. The entry into of a Supplemental Agreement between the Company (1) G & J Hall Limited (2) RH Trading Limited (3) RH Trustees Limited (4) the Trustees of the R Hulley 1960 Settlements (5) the Trustees of The Rosemary Edwards 1982 Settlement (6) and John Richard Edwards, Peter David Edwards and Catherine Ruth Jones (7) ("the Supplemental Agreement").
5. The entry into a Loan Agreement between the Company and G & J Hall Limited ("the Loan Agreement").
6. The acknowledgement of the reliance of the Royal Bank of Scotland Plc on its existing security ("the Existing Security").
7. The entry into of a first legal charge between G & J Hall Limited and the Royal Bank of Scotland Plc ("the Legal Charge").
8. The loan of £1,121,500.00 to G & J Hall Limited from the Royal Bank of Scotland Plc ("the Bank Loan").

The person who ~~has acquired~~^{are} [will acquire][†] the shares is:
NEWTOPCO LIMITED and RH TRUSTEES LIMITED

[†] delete as appropriate

The principal terms on which the assistance will be given are:

1. In respect of 1. above, the payment of the Costs.
2. In respect of 2. above, the principal terms of the Debenture are G & J Hall Limited will create Fixed and Floating Charges over all its assets in favour of the Company, by way of security for the obligations and liabilities of G & J Hall Limited to the Company.
3. In respect of 3. above, the Deed of Priority will regularise the priority between The Royal Bank of Scotland Plc and the Company in relation to the debts of G & J Hall Limited.
4. In respect of 4. above, the Supplemental Agreement contains provisions relating to the transfer of assets, employees and the assignment of contracts from the Company to G & J Hall Limited and also regularises the Pension Schemes of the Company and G & J Hall Limited.
5. In respect of 5. above, the Loan Agreement contains provisions relating to the repayment of the indebtedness of G & J Hall Limited to the Company.
6. In respect of 6. above, the acknowledgement of the reliance of the Royal Bank of Scotland Plc on its Debenture dated 18 September 1974 and Deed of Set Off dated 19 April 1984.
7. In respect of 7. above, the First Legal Charge creates a Charge over all the property of G & J Hall Limited.
8. In respect of 8. above, the Bank Loan contains provisions relating to the repayment of such loan to G & J Hall Limited.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is such sum as shall represent the Costs

The amount of cash to be transferred to the person assisted is £ such sum as shall represent the Costs

The value of any asset to be transferred to the person assisted is £ Nil

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

delete either (a) or
(b) as appropriate

The date on which the assistance is to be given is Within 8 weeks of the date of this Statutory Declaration

☒ We have formed the opinion, as regards this company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ☒ We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

~~(b) [it is intended to commence the winding up of this company within 12 months of that date, and I/we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding up.]* (note 3)~~

And ☒ we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 2 PUTLAND PARK
SHEFFIELD
SOUTH YORKSHIRE

Day Month Year

on

13	12	04
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before me Stephen R. Thompson

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Stephen Robert Thompson, Commissioner for Oaths, Wake Smith Solicitors, Sheffield.

Declarants to sign below

J. R. Edwards
P. D. Edwards
L. Edwards
A. H. Smith
B. R. Bell

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is -

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland -

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

BARBER HARRISON & PLATT

CHARTERED ACCOUNTANTS

2 Rutland Park
Sheffield S10 2PD

Tel: (0114) 266 7171
Fax: (0114) 266 9846
Email: info@bhp.co.uk
Internet: <http://www.bhp.co.uk>

Our Ref ²⁴/RMM

Your Ref

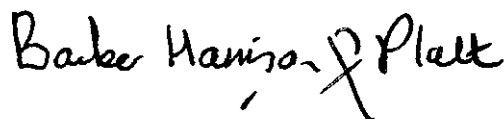
AUDITORS' REPORT TO THE DIRECTORS OF DONVALE HOLDINGS LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We have examined the attached statutory declaration of the directors of the Company dated 13 December 2004 in connection with the proposal that the Company should give financial assistance to facilitate the Demerger and the Acquisitions of the Company's issued share capital by Newtopco Limited and RH Trustees Limited.

We have enquired into the state of affairs of the Company in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



BARBER HARRISON & PLATT
Chartered Accountants and Registered Auditors

Dated : 13 December 2004



PARTNERS: G L Stuart-Harris, M J Ferreday, C A King, J Warner LL.B, P Cross BSc, A C D Staniforth B Eng, P C Allsop BA, D W Charlton BSc, R M Matthews,

CONSULTANTS: A M C Staniforth BA, G A Gee, J E Moore

ASSOCIATES: M J Woods, D Elsom BA, C Haw, J E Marshall BA, H R Mee BSc, C H Ringrose BA

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