

Bernstones Limited

Directors' Report and Financial Statements

Registered Number 487408

31 March 2003



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Directors' Report

The directors present their report and financial statements for the year ended 31 March 2003.

Principal activities and business review

The company did not trade during the year under review and there are no plans to re-commence trading activities in the foreseeable future.

Directors

The directors who held office during the year were:

Lewis S Hill
Jacqueline A Hill
Clive L Hill

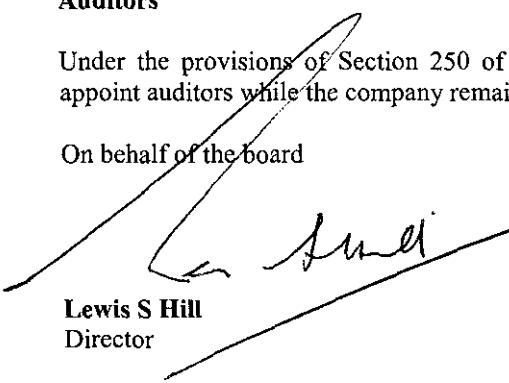
Directors interest in the shares of the holding company

The directors are also directors of the company's holding company and their interest are shown in the directors' report of that company.

Auditors

Under the provisions of Section 250 of the Companies Act 1985 the directors do not propose to appoint auditors while the company remains dormant.

On behalf of the board



Lewis S Hill
Director

30 Hatton Gardens
London
EC1N 8DH

2 June 2003

Balance sheet
As at 31 March 2003

	2003 £	2002 £
Assets		
Amount due from parent company	25,598	25,598
	<hr/>	<hr/>
Represented by:		
Capital and reserves		
<i>Authorised share capital</i>		
12,000 shares of £1 each	12,000	12,000
	<hr/>	<hr/>
<i>Issued share capital</i>		
12,000 shares of £1 each	12,000	12,000
Profit and loss account	13,598	13,598
	<hr/>	<hr/>
	25,598	25,598
	<hr/>	<hr/>

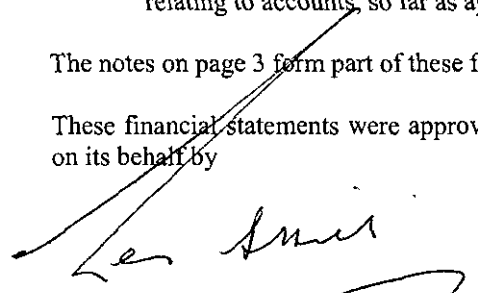
For the year ended 31 March 2003 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985. No members have requested an audit of its accounts for the year in question in accordance with section 349B(2).

The directors acknowledge their responsibility for:

- a. Ensuring the company keeps accounting records which comply with section 221;
- b. Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit and loss of the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

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

These financial statements were approved by the board of directors on 2 June 2003 and were signed on its behalf by


Lewis S Hill
Director

Notes

1. Profit and loss account

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit or a loss.

2. Ultimate holding company

The company's ultimate holding company is Fred Hill Holdings Limited, which is incorporated in Great Britain and registered in Scotland.

The largest group in which the results of the company are consolidated is that headed by Fred Hill Holdings Limited. The consolidated financial statements of Fred Hill Holdings Limited are available to the public and may be obtained from the Registrar of Companies, 37 Castle Terrace, Edinburgh.

No other group financial statements include the results of the company.