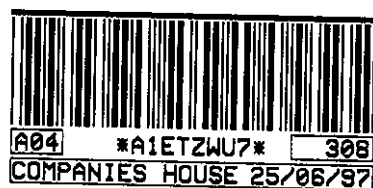


741039

Jeyes Overseas Limited

Report and Accounts

28 December 1996



Jeyes Overseas Limited

Company Registration Number: 741039

BOARD OF DIRECTORS

DJ Callear
MT Bromley
S Gaastra
PHH Symonds

SECRETARY

SJ Leveridge

AUDITORS

Arthur Andersen
Betjeman House
104 Hills Road
Cambridge
CB2 1LH

BANKERS

National Westminster Bank plc
Norfolk House
Exchange Street
Norwich
NR2 1DD

SOLICITORS

Simmons & Simmons
21 Wilson Street
London EC2M 2TQ

Addleshaw Booth & Co
Sovereign House
PO Box 8
South Parade
Leeds
LS1 1HQ

REGISTERED OFFICE

Brunel Way
Thetford
Norfolk
IP24 1HF

DIRECTORS' REPORT

The directors submit their report for the 52 weeks ended 28 December 1996.

RESULTS AND DIVIDENDS

The profit for the financial year, after taxation, amounted to £768,000 (1995 - £611,000). The directors recommend the payment of a dividend of £750,000 (1995 - £1,000,000). This leaves a profit of £18,000 (1995 - £389,000 deficit) to be transferred to reserves.

PRINCIPAL ACTIVITIES

The Company's principal activity during the financial year continued to be the derivation of royalty income from the sale and marketing of household products in overseas markets.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Turnover decreased to £680,000 (1995 - £760,000) however the directors remain confident that the business will continue to perform satisfactorily.

DIRECTORS AND THEIR INTERESTS

The directors during the financial year were as follows:

MT Bromley
DJ Callear
S Gaastra
PHH Symonds

All the directors of the Company at 28 December 1996 were directors of Jeyes Group plc, the ultimate parent company. Their interests in the share capital of the ultimate parent company are disclosed in the accounts of that company.

AUDITORS

The directors will place a resolution before the Annual General Meeting to reappoint Arthur Andersen as auditors.

BY ORDER OF THE BOARD

S.J. Leveridge

SJ LEVERIDGE
Secretary
9 June 1997

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

In accordance with the Companies Act 1985, the directors are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss for that period. The directors consider that in preparing the accounts the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The directors also confirm that all applicable accounting standards have been followed and that the going concern basis is appropriate.

The directors have responsibility for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company enabling them to ensure that the accounts comply with the Companies Act 1985. The directors have a general responsibility to take reasonable steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.

REPORT OF THE AUDITORS

to the members of Jeyes Overseas Limited

We have audited the accounts on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 circumstances of the Company, 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 28 December 1996 and of the profit for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



ARTHUR ANDERSEN
Chartered Accountants
Registered Auditor
Cambridge
9 June 1997

Jeyes Overseas Limited

PROFIT AND LOSS ACCOUNT
for the 52 weeks ended 28 December 1996

	<i>Notes</i>	<i>1996</i> <i>£000</i>	<i>1995</i> <i>£000</i>
TURNOVER			
Cost of sales	2	680 <u>(15)</u>	760 <u>(15)</u>
GROSS PROFIT		665	745
Distribution costs		(50)	(81)
Administrative expenses		(15)	(15)
Exceptional items	3	<u>110</u>	<u>-</u>
OPERATING PROFIT	4	710	649
Interest receivable	5	<u>18</u>	<u>2</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		728	651
Tax on profit on ordinary activities	6	<u>40</u>	<u>(40)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		768	611
Dividends	7	<u>(750)</u>	<u>(1,000)</u>
RETAINED PROFIT/(DEFICIT) FOR THE FINANCIAL YEAR		18	(389)
Retained profit brought forward		<u>298</u>	<u>687</u>
RETAINED PROFIT CARRIED FORWARD		<u>316</u>	<u>298</u>

There are no recognised gains or losses other than the profit attributable to shareholders of the Company of £768,000 for the 52 weeks ended 28 December 1996 and of £611,000 for the 52 weeks ended 30 December 1995.

Jeyes Overseas Limited

BALANCE SHEET at 28 December 1996

	<i>Notes</i>	<i>1996</i> <i>£000</i>	<i>1995</i> <i>£000</i>
CURRENT ASSETS:			
Debtors	8	8,611	7,495
CREDITORS: amounts falling due within one year	9	<u>(8,295)</u>	<u>(7,197)</u>
Total assets less current liabilities		<u>316</u>	<u>298</u>
CAPITAL AND RESERVES			
Called up share capital	10	-	-
Profit and loss account		<u>316</u>	<u>298</u>
EQUITY SHAREHOLDERS' FUNDS		<u>316</u>	<u>298</u>



DJ CALLEAR - Director

9 June 1997

NOTES TO THE ACCOUNTS
at 28 December 1996

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

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

Basis of preparation of accounts

The annual accounts are usually made up to the Saturday nearest to 31 December in each year.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse, calculated at the rate at which it is estimated that tax will be payable or recoverable in the foreseeable future.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Turnover

Turnover represents the value of royalties reimbursed to the company by Jeyes' franchise worldwide. All turnover is derived from continuing activities.

2. SEGMENT INFORMATION

An analysis of turnover by geographical markets is given below:

	1996 £000	1995 £000
Europe	155	106
America	3	106
Africa	269	192
Asia	87	186
Australia	109	104
New Zealand	57	66
	<u>680</u>	<u>760</u>

3. EXCEPTIONAL ITEMS

	1996 £000	1995 £000
Termination of long term trading agreements	<u>110</u>	<u>-</u>

Jeyes Overseas Limited

NOTES TO THE ACCOUNTS at 28 December 1996

4. OPERATING PROFIT

	<i>1996</i> £	<i>1995</i> £
This is stated after charging:		
Directors' remuneration (see below)	-	-
Auditors' remuneration	<u>500</u>	<u>500</u>

No directors' emoluments were paid by the company.

5. INTEREST RECEIVABLE

	<i>1996</i> £000	<i>1995</i> £000
Repayment supplement received	<u>18</u>	<u>2</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<i>1996</i> £000	<i>1995</i> £000
Based on the profit for the financial year:		
Corporation tax	75	40
Deferred tax	<u>(115)</u>	<u>-</u>
	(40)	40
Double taxation relief	<u>(75)</u>	<u>(40)</u>
	(115)	-
Overseas taxation	<u>75</u>	<u>40</u>
	<u>(40)</u>	<u>40</u>

7. DIVIDENDS

	<i>1996</i> £000	<i>1995</i> £000
Ordinary - final paid	<u>750</u>	<u>1,000</u>

8. DEBTORS

	<i>1996</i> £000	<i>1995</i> £000
Trade debtors	250	188
Amounts owed by group underakings	8,246	7,101
Corporation tax	-	206
Deferred tax	<u>115</u>	<u>-</u>
	<u>8,611</u>	<u>7,495</u>

NOTES TO THE ACCOUNTS
at 28 December 1996**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<i>1996</i>	<i>1995</i>
	<i>£000</i>	<i>£000</i>
Amounts due to group undertakings	7,947	7,197
Accruals and deferred income	<u>348</u>	<u>-</u>
	<u>8,295</u>	<u>7,197</u>

10. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>1996</i>	<i>1995</i>	<i>1996</i>	<i>1995</i>
	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER' FUNDS

	<i>1996</i>	<i>1995</i>
	<i>£000</i>	<i>£000</i>
At beginning of year	298	687
Profit for the period	768	611
Dividends	<u>(750)</u>	<u>(1,000)</u>
At end of year	<u>316</u>	<u>298</u>

12. CONTINGENT LIABILITIES

There are cross guarantees in the Group by which the Company has guaranteed certain loans and overdrafts of the parent and fellow subsidiary undertakings. At 28 December 1996 the amount guaranteed was £18,681,000.

13. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Jeyes Group plc, a company incorporated in England and Wales.

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Jeyes Group plc, registered in England. Copies of Jeyes Group plc's accounts can be obtained from Brunel Way, Thetford, Norfolk, IP24 1HF.