

DELTAFLOW LIMITED

DIRECTORS' REPORT

AND

ACCOUNTS

1999



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31/10/00

Registered in England No. 751297

DELTAFLLOW LIMITED

DIRECTORS' REPORT - 1999

FINANCIAL YEAR ENDED 31 DECEMBER 1999

1. DIRECTORS

(a) At date of this report:-

J A Ford (Chairman)
J P Narciso

(b) Retiring and seeking re-election:-

None

(c) The interests of the directors in the shares of the Company and other Group companies are disclosed in note 6 to the accounts.

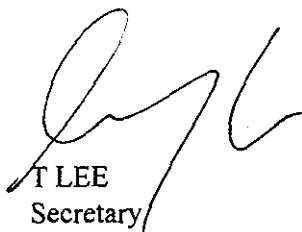
2. RESULTS FOR THE YEAR

The company did not trade during the year and accordingly no profit and loss account has been prepared.

3. AUDITORS

In accordance with S.250 of the Companies Act 1985, a special resolution has been passed, resolving that the Company be released from the obligation relating to the production of audited accounts.

This report was approved by the Board of Directors on 4 February 2000 and is signed on their behalf by:


T LEE
Secretary

1 Kingsway
London WC2B 6XF

DELTAFLW LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
FIXED ASSETS			
Investments	2	6,056,857	6,056,857
CREDITORS - amounts falling due within one year	3	(12,000,000)	(12,000,000)
NET LIABILITIES		<u>£(5,943,143)</u>	<u>£(5,943,143)</u>
Represented by:			
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		(5,943,243)	(5,943,243)
EQUITY SHAREHOLDERS' FUNDS		<u>£(5,943,143)</u>	<u>£(5,943,143)</u>

The Company was dormant (within the meaning of S.250 of the Companies Act 1985) throughout the period ended 31 December 1999 and has made neither profit nor loss.

None of the Directors received any remuneration for their services to the Company.

There were no recognised gains or losses in the year.

The accounts were approved by the Board of Directors on 4 February 2000 and are signed on their behalf by:


J P NARCISO
Director

DELTAFLOW LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING PRINCIPLES AND POLICIES

The accounts are prepared in accordance with historical cost accounting rules.

The accounts have been prepared in accordance with applicable Accounting Standards.

2. INVESTMENTS

	<u>1999</u>	<u>1998</u>
	£	£
Loan to parent company	£6,056,857	£6,056,857
	<u> </u>	<u> </u>

The loan to parent company is interest free and repayable on demand. There is no intention to demand repayment in the foreseeable future.

3. CREDITORS

	<u>1999</u>	<u>1998</u>
	£	£
Unsecured loan stock	£12,000,000	£12,000,000
	<u> </u>	<u> </u>

(a)	Original Issue (10 March 1978)	£9 million
(b)	Rights Issue (9 March 1981)	£3 million

The interest free unsecured loan stock may be repaid at the discretion of the Company, at any time and is repayable on demand by its stockholders.

4. CALLED UP SHARE CAPITAL

	Total Ordinary shares £
Authorised	
At 2 January 1999 and 31 December 1999	£100
100 ordinary shares of £1 each	<u> </u>
Called up share capital - allotted, issued and fully paid	
At 2 January 1999 and 31 December 1999	£100
100 ordinary shares at £1 each	<u> </u>

DELTAFLW LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

5. CONTINGENT LIABILITIES

The company is registered under the Group registration for Value Added Tax and is jointly liable for the amount of tax of £1,465,640 at 31 December 1999, (1998 £2,304,316) in respect of the ultimate parent company and certain UK Group companies.

6. DIRECTORS' SHARE AND DEBENTURE HOLDINGS AT YEAR END

31.12.99

02.01.99

In the company:

J A Ford
J P Narciso

Nil
Nil

Nil
Nil

In Delta plc:

J P Narciso and J A Ford are directors of the immediate parent company and accordingly details of their holdings are not shown in these accounts. The immediate parent company is D&T Holdings Ltd.

7. ULTIMATE PARENT COMPANY

The ultimate parent company is Delta plc registered in England and Wales. Copies of the consolidated financial statements of Delta plc are available to the public at the registered office, 1 Kingsway, London WC2B 6XF and copies can be obtained from this address.