

COMPANY NO: 774509

MERITINA LIMITED  
(FORMERLY BEAUTY MATCH LIMITED)  
REPORT AND ACCOUNTS FOR THE YEAR ENDED  
31 DECEMBER 1997

COUNTRY OF REGISTRATION

ENGLAND

REGISTERED OFFICE

LEES STREET  
SWINTON  
MANCHESTER  
M27 6DA

DIRECTORS:

S. DOW  
B. BOOTH  
A.E. STOCKALL

SECRETARY:

B. BOOTH



MERITINA LIMITED(FORMERLY BEAUTY MATCH LIMITED)REPORT OF THE DIRECTORS

The Directors submit their report and statement of accounts for the year ended 31 December 1997.

1. PRINCIPAL ACTIVITY

During the year the company has not traded, has not incurred any liabilities and consequently has made neither profit nor loss. A profit and loss account has not been prepared.

2. DIVIDEND

The directors do not recommend the payment of a dividend (1996 : £NIL).

3. DIRECTORS

The following served as Directors during the year:-

S. DOW  
B. BOOTH  
A.E. STOCKALL

4. DIRECTORS' INTEREST

The Directors have no beneficial interest in the shares of the company.

Details of the directors' interests in the ordinary shares of Coats Viyella Plc are shown below:-

	<u>31/12/97</u>	<u>31/12/96</u> or date of appointment
B. BOOTH	831	709
S. DOW	12,600	12,600
A.E. STOCKALL	3,904	6,196

The following share options in Coats Viyella Plc have been granted to Directors and not exercised:

	Options Granted	Price per Share	Period of Option	Number of Shares
1984 Executive Share Option Scheme	1988 to 1994	103.57p to 256.08p	1998 to 2004	91,241
1994 Executive Share Option Scheme	1994 to 1997	109.00p to 214.50p	1998 to 2007	163,000
Coats Viyella Sharesave Scheme	1990 to 1997	89.27p to 190.86p	1998 to 2002	34,717

Other than the foregoing, the directors have no beneficial interest in the shares of Coats Viyella Plc.

MERITINA LIMITED(FORMERLY BEAUTY MATCH LIMITED)REPORT OF THE DIRECTORS5. DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



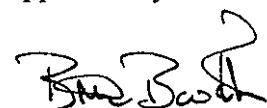
B. BOOTH  
Secretary

MERITINA LIMITED(FORMERLY BEAUTY MATCH LIMITED)BALANCE SHEET - 31 DECEMBER 1997

	<u>Note</u>	<u>31 DEC</u> <u>1997</u> £	<u>31 DEC</u> <u>1996</u> £
<u>DEBTORS</u>			
Amounts owed by parent and fellow subsidiary undertakings not receivable within one year		<u>2,010</u>	<u>2,010</u>
<u>CAPITAL AND RESERVES</u>			
CALLED UP SHARE CAPITAL	3	<u>100</u>	<u>100</u>
RESERVES			
Profit and loss account		<u>1,910</u>	<u>1,910</u>
EQUITY SHAREHOLDERS' FUNDS		<u>2,010</u>	<u>2,010</u>

The company was dormant throughout the financial year.

Approved by the Board of Directors on 29.4.98 and signed on their behalf.



Director

MERITINA LIMITED(FORMERLY BEAUTY MATCH LIMITED)NOTES TO ACCOUNTS - 31 DECEMBER 19971. ACCOUNTING POLICYBASIS OF ACCOUNTING

The accounts are prepared on the basis of historical cost and in accordance with applicable accounting standards.

2. PROFIT AND LOSS ACCOUNT

During the year, and previous year, the company has not traded, has not incurred any liabilities and consequently has made neither profit nor loss. A profit and loss account has not been prepared. None of the Directors received any emoluments in respect of their services to the company (1996 : £Nil). There were no employees in either period.

3. CALLED UP SHARE CAPITAL

The share capital of the company consists of the following:-

	<u>Authorised</u>		<u>Issued and Fully paid</u>	
	Number	£	Number	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

4. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Coats Viyella Plc., a company incorporated in England and Wales and for which group accounts are prepared. Copies of the Group financial statements are available from the parent company's registered office at 28 Savile Row, London.