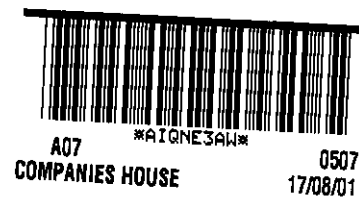


Payless Developments Limited

Directors' report and financial statements
29 October 2000

Registered number 1937616



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Directors' report

The directors present their annual report and financial statements for the year ended 29 October 2000.

Principal activity

The company has not traded in the financial year.

Directors and directors' interests

The directors who held office during the year were as follows:

WE Archer
GC Wilson

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

The interests of the directors in the shares of Focus Group Limited (formerly Focus Do It All Group Limited), the ultimate holding company, are disclosed in the financial statements of that company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Auditors

In accordance with Section 250 of the Companies Act 1985, a special resolution has been passed in order to exempt the company from the obligation to appoint auditors.

By order of the board



GC Wilson
Director

Gawsworth House
Westmere Drive
Crewe
Cheshire
CW1 6XB

17 JULY 2001

Statement of 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 and of the profit or loss for that year. 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, subject to any material departures disclosed and explained in the financial statements;
- 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Balance sheet
at 29 October 2000

	<i>Note</i>	2000 £	1999 £
Creditors: amounts falling due after more than one year	2	(68,900)	(68,900)
Net liabilities		<u>(68,900)</u>	<u>(68,900)</u>
Capital and reserves			
Called up share capital	3	100	100
Profit and loss account		(69,000)	(69,000)
Equity shareholders' funds		<u>(68,900)</u>	<u>(68,900)</u>

The company has remained dormant throughout the financial year, has received no income and incurred no expenditure, and consequently has made neither a profit nor a loss.

These financial statements were approved by the board of directors on 17 July 2001 and were signed on its behalf by:



GC Wilson
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of Focus Group Limited (formerly Focus Do It All Group Limited) and its cash flows are included within the consolidated cash flow statement of that company.

As the company is a wholly owned subsidiary of Focus Group Limited (formerly Focus Do It All Group Limited), the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Focus Group Limited (formerly Focus Do It All Group Limited), within which this company is included, can be obtained from the address given in note 4.

2 Creditors: amounts falling due after more than one year

	2000 £	1999 £
Amounts owed to group undertakings	68,900	68,900

3 Called up share capital

	2000 £	1999 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100

4 Ultimate holding company

The company's ultimate holding company is Focus Group Limited (formerly Focus Do It All Group Limited). Copies of the group financial statements can be obtained from:

Companies House
 Crown Way
 Cardiff
 CF4 3UZ