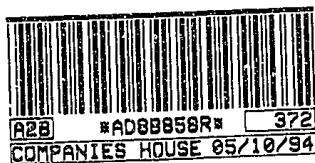


Griptite Group Limited
REPORT AND ACCOUNTS
Year ended 31st December 1993



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CHARTERED ACCOUNTANTS

Griptite Group Limited

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* This statement does not form part of the statutory financial statements of the Company

Griptite Group Limited

DIRECTORS AND OFFICERS

Directors Mr David Russell
Mr Peter John Davies
Mr Norman Brian Burchfell

Company secretary Mr Peter John Davies

Registered office Pendragon House
65 London Road
St. Albans
Herts
AL1 1LJ

Auditors Gilberts
Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Bankers Barclays Bank Plc
P.O. Box 104
St. Albans
Herts
AL3 4DX

Company registration number 1993028

Griptite Group Limited

NOTICE OF ANNUAL GENERAL MEETING

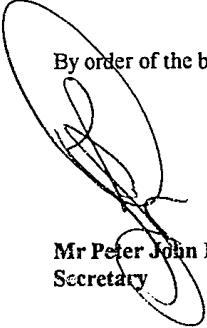
Notice is hereby given that the Annual General Meeting of the Company will be held at Talisman Business Centre, Duncan Road, Park Gate, Southampton on 24th October 1994 for the following purposes:-

To receive and adopt the director's report and the accounts for the year ended 31st December 1993.

To approve the directors' emoluments for the year ended 31st December 1993.

To transact any other ordinary business of the Company.

By order of the board



Mr Peter John Davies
Secretary

Pendragon House
65 London Road
St. Albans
Herts
AL1 1LJ
26th September 1994

Note:

A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote, on a poll, on his behalf. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Company's registered office not less than 48 hours before the time appointed for holding the meeting.

Griptite Group Limited

DIRECTORS' REPORT

for the year ended 31st December 1993

The directors submit their annual report and the audited financial statements of the Company for the year ended 31st December 1993.

Directors

The directors of the Company at the date of the report are shown on page 3.

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 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 the financial statements comply with the Companies Act 1985. 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.

Principal activity and review of the business

The principal activity of the Company continued to be that of holding company to a group of companies engaged in the supply of packaging materials, industrial and marine tape suppliers and converters and the production and supply of self adhesive insulation hangers.

There has been no significant change in the nature or volume of business during the year.

Results and dividends

The Company made a loss on ordinary activities before taxation for the year of £10,984 .
The retained loss for the year deducted from reserves was £6,904 .

The directors do not recommend that a dividend be paid on the ordinary share capital of the Company.

Griptite Group Limited

DIRECTORS' REPORT

for the year ended 31st December 1993

Directors' interests

The directors have the following interests, including family interests, in the share capital of the Company.

	Ordinary shares of £1 each	
	1993	1992
Mr David Russell	5,024	5,024
Mr Peter John Davies	5,024	5,024
Mr Norman Brian Burchfell	2,565	2,565

There are no schemes to benefit the directors by enabling them to buy shares in the Company or in any other company.

Directors' interest in contracts

At no time during the financial period has any director had an interest in any contract significant to the Company's business.

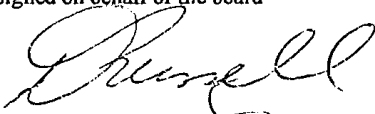
Tax status

The Company is a 'close' company within the meaning of section 414, Income and Corporation Taxes Act 1988.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Gilberts as auditors to the Company will be put to the Annual General Meeting.

Signed on behalf of the board



Mr David Russell
Chairman
26th September 1994



CHARTERED ACCOUNTANTS

REPORT OF THE AUDITORS

to the shareholders of Griptite Group Limited

We have audited the financial statements on pages 8 to 14 which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 5 the Company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the Company's circumstances, 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 financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion the company is entitled for the year ended 31st December 1993 to the exemption confirmed by Section 248 of the Companies Act 1985 (as amended by the Companies Act 1989) from the requirement to produce group accounts.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company at 31st December 1993 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

26th September 1994
Registered Auditor

Griptite Group Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1993

	Notes	1993 £	1992 £
Turnover	2	22,841	33,151
Gross profit		22,841	33,151
Administrative expenses		4,580	4,580
Operating profit	3	18,261	28,571
Interest payable and similar charges	4	(29,245)	(33,151)
(Loss) on ordinary activities before taxation		(10,984)	(4,580)
Taxation	5	4,080	2,290
Retained (loss) for the year		(6,904)	(2,290)
Retained (loss) brought forward		(3,829)	(1,539)
Retained (loss) carried forward		(10,733)	(3,829)

Continuing operations

The Company did not acquire or dispose of any businesses during the two years.

Statement of total recognised gains and losses

The Company had no recognised gains or losses other than the profits or losses for the two years.

The notes set out on pages 10 to 14 form part of these financial statements

Griptite Group Limited

BALANCE SHEET

As at 31st December 1993

	Notes	1993 £	1992 £
Fixed assets			
Tangible Assets	6	313,230	317,810
Investments	7	13,613	13,613
		<u>326,843</u>	<u>331,423</u>
Current assets			
Debtors	8	78,022	150,368
		<u>78,022</u>	<u>150,368</u>
Creditors: amounts falling due within one year	9	181,574	239,885
Net current (liabilities)		<u>(103,552)</u>	<u>(89,517)</u>
Total assets less current liabilities		223,291	241,906
Creditors: amounts falling due after more than one year	10	221,411	233,122
		<u>1,880</u>	<u>8,784</u>
Capital and reserves			
Called up share capital	11	12,613	12,613
Profit and loss account		<u>(10,733)</u>	<u>(3,829)</u>
Shareholders' funds	13	<u>1,880</u>	<u>8,784</u>


..... Mr David Russell


..... Mr Peter John Davies

Approved by the Board of Directors on 26th September 1994

The notes set out on pages 10 to 14 form part of these financial statements

Griptite Group Limited

NOTES TO THE ACCOUNTS

for the year ended 31st December 1993

1 Accounting policies

The principal accounting policies used in the preparation of these accounts are set out below:

Basis of accounting

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

The Company has taken advantage of the exemption in Financial Reporting Statement No. 1 from producing a Cash Flow Statement.

Fixed asset investment

Other unlisted investments are stated at cost.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Land and buildings - over 50 years

Basis of non consolidation

The results and assets and liabilities of Pakex Limited, Admiral Industrial Tape Converters Limited, Thermal Insulation Supplies Limited and PSP Marine Tapes Limited have not been consolidated but are accounted for on a dividends received basis by virtue of the exemption confirmed by section 248 of the Companies Act 1985 (as amended by the Companies Act 1989) in that the company and its subsidiary undertakings qualify as a medium sized group.

Interest payable

Interest payable is charged in the profit and loss account in the year in which it is incurred.

Deferred taxation

No provision has been made for deferred taxation, as in the opinion of the directors, all material timing differences are not expected to reverse in the foreseeable future.

Group relief

Group relief for corporation tax purposes is valued at an amount equal to the related tax saving. The payment equal to the tax saving is included as part of the overall taxation charge.

NOTES TO THE ACCOUNTS

for the year ended 31st December 1993

2	Turnover		
	Turnover consists of gross rental income from property rented to a subsidiary undertaking. All turnover arises in the UK.		
	Turnover is split as follows:		
		1993	1992
		£	£
	Rent receivable	<u>22,841</u>	<u>33,151</u>
		<u>22,841</u>	<u>33,151</u>
3	Operating profit/loss		
	Stated after charging		
		1993	1992
		£	£
	Depreciation	<u>4,580</u>	<u>4,580</u>
4	Interest payable and similar charges		
		1993	1992
		£	£
	Other loan interest	<u>7,162</u>	-
		<u>7,162</u>	-
	On loans not repayable wholly within five years:		
	Bank loan interest	<u>22,083</u>	<u>33,151</u>
		<u>29,245</u>	<u>33,151</u>
5	Taxation		
		1993	1992
		£	£
	UK corporation tax for the year at 25% (1992 - 25%) on the profit for the year		
	Group tax relief	<u>(4,080)</u>	<u>(2,290)</u>
		<u>(4,080)</u>	<u>(2,290)</u>

Griptite Group Limited**NOTES TO THE ACCOUNTS**

for the year ended 31st December 1993

6 Tangible fixed assets

	Freehold Land and buildings	Total
Cost	£	£
At 1st January 1993	329,260	329,260
At 31st December 1993	329,260	329,260
Depreciation		
At 1st January 1993	11,450	11,450
Charge for the year	4,580	4,580
At 31st December 1993	16,030	16,030
Net book value		
At 31st December 1993	<u>313,230</u>	<u>313,230</u>
At 31st December 1992	<u>317,810</u>	<u>317,810</u>

The freehold property of £329,260 includes £322,500 which secures the bank mortgage loan by legal mortgage.

7 Fixed assets investments

	Subsidiary Undertakin g	Total
Cost	£	£
At 1st January 1993	13,613	13,613
At 31st December 1993	13,613	13,613
Net book value		
At 31st December 1993	<u>13,613</u>	<u>13,613</u>
At 31st December 1992	<u>13,613</u>	<u>13,613</u>

Griptite Group Limited

NOTES TO THE ACCOUNTS

for the year ended 31st December 1993

The company holds shares in the following subsidiary undertakings all of which are unlisted, incorporated in and registered in England.

	% of £1 ordinary shares	Consideration Given
Pakex Limited	100%	10000*
Admiral Industrial Tape Converters Limited	100%	2522*
Thermal Insulation Supplies Limited	91%	91*
PSP Marine Tapes Limited	100%	1000

The principal business activities of these subsidiaries are :

- (i) Pakex Limited - suppliers of packaging materials.
- (ii) Admiral Industrial Tape Converters Limited - industrial tape suppliers and converters.
- (iii) Thermal Insulation Supplies Limited - non-trading company.
- (iv) PSP Marine Tapes Limited - marine tapes suppliers and converters.

The percentage of ordinary shares held by Griptite Group Limited also represents the percentage of voting rights held.

*Share Exchange

8 Debtors

	1993 £	1992 £
Amounts owed by group undertakings	78,022	150,368
	<u>78,022</u>	<u>150,368</u>

9 Creditors: amounts falling due within one year

	1993 £	1992 £
Bank loans and overdraft	34,232	35,031
Trade creditors	145,097	202,171
Amounts owed to group undertakings	1,000	1,000
Accruals	1,245	1,683
	<u>181,574</u>	<u>239,885</u>

Secured creditors included above are as follows:

Bank loans and overdraft: secured by legal mortgage on the freehold property at Duncan Road, Park Gate.

<u>34,232</u>	<u>35,031</u>
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The bank loan bears interest at normal commercial rates and is repayable by monthly instalments.

Griptite Group Limited

NOTES TO THE ACCOUNTS

for the year ended 31st December 1993

10 Creditors amounts falling due after more than one year

	1993 £	1992 £
Bank loans	221,411	233,122
	<u>221,411</u>	<u>233,122</u>
Amounts repayable by monthly instalments:		
Within 5 years	138,280	138,010
After more than 5 years	83,131	95,112
	<u>221,411</u>	<u>233,122</u>
Secured creditors included in the above are as follows:		
Bank loans: secured by legal mortgage on the freehold property at Duncan Road, Park Gate.	138,280	138,010
	<u>138,280</u>	<u>138,010</u>

The bank loan bears interest at normal commercial rates.

11 Share capital

	Authorised		Allotted, called up and fully paid	
	1993 Number	1992 Number	1993 £	1992 £
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>12,613</u>	<u>12,613</u>

12 Contingent liabilities

The company has entered into a cross guarantee and debenture in respect of certain borrowings of subsidiary undertakings. At 31st December 1993, these borrowings amounted to £144,577.

13 Reconciliation of movements in shareholders' funds

	1993 £	1992 £
(Loss) for the financial year	(6,904)	(2,290)
Opening shareholders' funds	8,784	11,074
Closing shareholders' funds	<u>1,880</u>	<u>8,784</u>