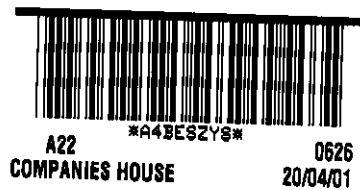


MATCHPROUD LIMITED
FINANCIAL STATEMENTS
31ST DECEMBER 2000

Registered number: 2595939



BISHOP FLEMING
CHARTERED ACCOUNTANTS
Truro

MATCHPROUD LIMITED
FINANCIAL STATEMENTS
for the year ended 31st December 2000

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The following pages do not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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MATCHPROUD LIMITED**COMPANY INFORMATION****31st December 2000**

NUMBER	2595939
CHAIRMAN	J H Thomas
OTHER DIRECTOR	J M Thomas
SECRETARY	J M Thomas
REGISTERED OFFICE	Chy Nyverow Newham Road Truro TR1 2DP
BANKERS	Barclays Bank Plc Truro Business Centre 14 King Street Truro TR1 2RB
SOLICITORS	Bray and Dilks 33 & 34 Lemon Street Truro Cornwall TR1 2NR
AUDITORS	Bishop Fleming Chartered Accountants Chy Nyverow Newham Road Truro TR1 2DP

DIRECTORS' REPORT

31st December 2000

The directors present their report and the audited financial statements for the year ended 31st December 2000.

Principal activity

The principal activity of the company is the retail and wholesale of health and wholefoods.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31st December 2000 Ordinary shares	1st January 2000 Ordinary shares
J H Thomas	75,000	75,000
J M Thomas	75,000	75,000


Auditors

Messrs. Bishop Fleming, Chartered Accountants, offer themselves for re-election as auditors until the conclusion of the next general meeting at which financial statements are submitted in accordance with section 384 of the Companies Act 1985 at a date to be agreed by the directors.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



J M Thomas
Secretary

Date: 12.04.01

Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

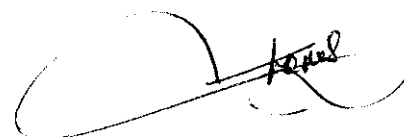
MATCHPROUD LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

On behalf of the board



J H Thomas
Chairman

Date: 12.04.01

MATCHPROUD LIMITED**AUDITORS' REPORT****Auditors' report to the members of****Matchproud Limited**

We have audited the financial statements on pages 5-7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 7a.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of 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 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 of 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bishop Fleming
Chartered Accountants and Registered Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

17 April 2001

MATCHPROUD LIMITED
PROFIT AND LOSS ACCOUNT
for the year ended 31st December 2000

	Note	2000 £	1999 £
Turnover	2	1,207,494	1,315,790
Cost of sales		(983,040)	(1,039,803)
Gross profit		224,454	275,987
Net operating expenses			
Distribution costs		(44,457)	(42,824)
Administrative expenses		(181,698)	(201,843)
Operating (loss)/profit	3	(1,701)	31,320
Investment income	5	-	295
Interest payable		(6,752)	(5,135)
(Loss)/profit on ordinary activities before taxation		(8,453)	26,480
Taxation	6	(338)	(7,007)
(Loss)/profit on ordinary activities after taxation		(8,791)	19,473
Dividends	7	(13,080)	(11,080)
Retained (loss)/profit for the year	15	(21,871)	8,393

Movements in reserves are shown in note 15.

MATCHPROUD LIMITED

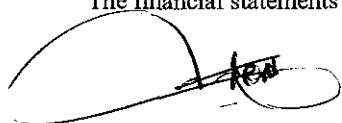
BALANCE SHEET

at 31st December 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Intangible assets	8		57,292		62,792
Tangible assets	9		168,301		43,136
			<u>225,593</u>		<u>105,928</u>
Current assets					
Stocks	10	141,694		173,219	
Debtors	11	70,317		66,894	
Cash at bank and in hand		30		30	
			<u>212,041</u>	<u>240,143</u>	
Creditors: amounts falling due within one year	12	(182,666)		(159,028)	
Net current assets			<u>29,375</u>		<u>81,115</u>
Total assets less current liabilities			<u>254,968</u>		<u>187,043</u>
Creditors: amounts falling due after more than one year	13		(89,796)		-
			<u>165,172</u>		<u>187,043</u>
Capital and reserves					
Called up share capital	14		150,000		150,000
Profit and loss account	15		15,172		37,043
Total shareholders' funds			<u>165,172</u>		<u>187,043</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements on pages 5-7 were approved by the board of directors on 7.04.01 and signed on its behalf by:



J H Thomas
Chairman

MATCHPROUD LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 2000

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Intangible Fixed Assets

Goodwill represents the difference between the fair value of the consideration paid on acquisition of a business and the fair value of its separable net assets at the date of acquisition. Goodwill is amortised over its estimated useful life of 20 years.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold buildings	50 years straight line
Plant and machinery	5 years straight line
Motor vehicles	20% reducing balance
Fixtures and fittings	10% reducing balance

Note that no depreciation charge for freehold buildings has been made in this financial year, as the freehold property was purchased just before the year end.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pensions**Defined Contribution Scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1999 nil).

MATCHPROUD LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 2000

3 Operating (loss)/profit

	2000 £	1999 £
Operating (loss)/profit is stated after crediting:		
Profit on sale of assets	1,380	-
and after charging:		
Auditors' remuneration	5,984	4,828
Loss on sale of assets	2,953	1,301
Depreciation of tangible fixed assets (note 9):		
Leased assets	5,468	-
Owned assets	5,680	9,807
Amortisation of intangible fixed assets	5,500	5,500
	<u>16,648</u>	<u>15,307</u>

4 Directors

	2000 £	1999 £
Directors' emoluments	31,383	27,411
Other emoluments – pension	4,400	3,026
	<u>35,783</u>	<u>30,437</u>

Pension Costs**Defined Contribution Scheme**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charged represents contributions payable by the Company to the fund and amounted to £4,400 (1999 £3,026).

Retirement benefits are accruing for the 2 directors of the company under a defined contribution pension scheme (1999: 2).

5 Investment income

	2000 £	1999 £
Dividends received	-	276
Interest receivable	-	19
	<u>-</u>	<u>295</u>

MATCHPROUD LIMITED
NOTES ON FINANCIAL STATEMENTS

31st December 2000

6 Taxation

	2000	1999
	£	£
Corporation tax on loss on ordinary activities at 20/10% (1999 20%)	394	6,979
Tax on investment income @ 10%	-	28
Over provision in earlier years	(56)	-
	<u>338</u>	<u>7,007</u>

7 Dividends

	2000	1999
	£	£
Dividends	<u>13,080</u>	<u>11,080</u>

8 Intangible fixed assets

	Goodwill
	£
Cost	
1st January 2000	110,000
and	
31st December 2000	<u> </u>
Amortisation	
1st January 2000	47,208
Charge for the year	5,500
	<u> </u>
31st December 2000	<u>52,708</u>
Net book amount	
31st December 2000	<u>57,292</u>
1st January 2000	<u>62,792</u>

MATCHPROUD LIMITED
NOTES ON FINANCIAL STATEMENTS
31st December 2000

9 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Computers £
1st January 2000	56,629	4,014	35,610	5,763
Additions	27,339	-	371	508
Disposals	(11,442)	-	-	-
31st December 2000	<u>72,526</u>	<u>4,014</u>	<u>35,981</u>	<u>6,271</u>
Depreciation				
1st January 2000	42,465	1,833	20,838	1,153
Charge for year	7,576	803	1,514	1,255
Disposals	(7,822)	-	-	-
31st December 2000	<u>42,219</u>	<u>2,636</u>	<u>22,352</u>	<u>2,408</u>
Net book amount				
31st December 2000	<u>30,307</u>	<u>1,378</u>	<u>13,629</u>	<u>3,863</u>
1st January 2000	<u>14,164</u>	<u>2,181</u>	<u>14,772</u>	<u>4,610</u>
	Freehold Land and Buildings £	Short Leasehold Land and Buildings £		Total £
1st January 2000	-	15,841		117,857
Additions	119,124	-		147,342
Disposals	-	(15,841)		(27,283)
31st December 2000	<u>119,124</u>	<u>-</u>		<u>237,916</u>
Depreciation				
1st January 2000	-	8,432		74,721
Charge for year	-	-		11,148
Disposals	-	(8,432)		(16,254)
31st December 2000	<u>-</u>	<u>-</u>		<u>69,615</u>
Net book amount				
31st December 2000	<u>119,124</u>	<u>-</u>		<u>168,301</u>
1st January 2000	<u>-</u>	<u>7,409</u>		<u>43,136</u>

Included in motor vehicles are assets held under hire purchase contracts. The net book value of these assets is £21,871 (1999: nil) and the related depreciation charge for the year is £5,468 (1999: nil).

NOTES ON FINANCIAL STATEMENTS

31st December 2000

10 Stocks

	2000 £	1999 £
Goods for resale	141,694	173,219

11 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	52,999	58,595
Prepayments and accrued income	3,352	4,619
Other debtors	13,966	3,680
	70,317	66,894

Off the above amount £278 is due after more than one year (1999: nil).

12 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts (secured)	96,331	80,649
Trade creditors	66,381	56,686
Obligations under finance leases and hire purchase contracts – (secured)	8,097	-
Corporation tax	394	6,979
Other creditors	11,463	14,714
	182,666	159,028

Included in the above amount is £3,998 (1999: £8,830) owed to the directors of the company Mr and Mrs J H Thomas. At no time during the year did Mr or Mrs J H Thomas owe any amounts to the company.

13 Creditors: amounts falling due after more than one year

	2000 £	1999 £
Bank loans (secured)	86,425	-
Obligations under finance leases and hire purchase contracts (secured)	3,371	-
	89,796	-
Creditors other than finance lease and hire purchase contracts		
Amounts falling due after more than five years and repayable by instalments	64,168	-

NOTES ON FINANCIAL STATEMENTS

		31st December 2000			
14	Called up share capital	2000		1999	
		Number of shares	£	Number of shares	£
	Authorised				
	Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
	Allotted, called up and fully paid				
	Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
15	Profit and loss account				2000
					£
	1st January 2000				37,043
	Retained loss for the year				(21,871)
	31st December 2000				<u>15,172</u>
16	Guarantees and other financial commitments				
	Mr and Mrs J H Thomas, the directors of the company, have each given a personal guarantee of £10,000 to the bank.				
17	Related party transactions				
	During the year the Company transferred a motor vehicle with a net book value of £3,260 to the directors, Mr and Mrs J H Thomas, for £5,000				
18	Controlling Party				
	The company is under the ultimate control of Mr and Mrs J H Thomas, who own 100% of the issued shares.				