

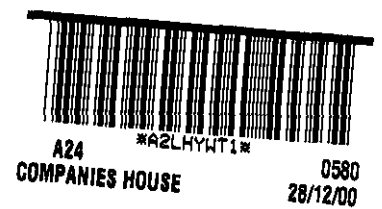
Company Registration Number 2735040



NORSTON INVESTMENTS LIMITED

FINANCIAL STATEMENTS

24 MARCH 2000



NORSTON INVESTMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2000

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NORSTON INVESTMENTS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

D J Lewis
J N Davis
H S Lewis
J Caplan

Company secretary

J N Davis

Registered office

Catherine House
76 Gloucester Place
London
W1H 4DQ

Auditors

Blick Rothenberg
Chartered Accountants
Registered Auditors
12 York Gate
Regent's Park
London
NW1 4QS

NORSTON INVESTMENTS LIMITED

DIRECTORS' REPORT

YEAR ENDED 24 MARCH 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 24 March 2000.

Principal activity and business review

The principal activity of the company during the year was that of investment.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect the company to maintain its present level of activity in the foreseeable future.

Results and dividends

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

It is proposed to transfer the profit for the year of £699 to reserves.

The directors and their interests in shares of the company

The directors who served the company during the year were as follows:

D J Lewis
J N Davis
H S Lewis
J Caplan

None of the directors held any shares in the company at the beginning or end of the year.

The directors' interests in the share capital of the parent undertaking are disclosed in the accounts of that company.

Fixed assets

The changes in fixed assets during the year are explained in note 6 to the financial statements.

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 at the end of the year and of the profit or loss for the year then ended.

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;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

NORSTON INVESTMENTS LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 24 MARCH 2000

Directors' responsibilities (continued)

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. The directors 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.

Auditors

A resolution to re-appoint Blick Rothenberg as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



J N DAVIS
Company Secretary

25 OCTOBER 2000

NORSTON INVESTMENTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 24 MARCH 2000

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of the directors and the auditors

As described on pages 2 to 3, 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 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 other irregularity or error. 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 24 March 2000 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

12 York Gate
Regent's Park
London
NW1 4QS

26 October 2000



BLICK ROTHENBERG
Chartered Accountants
Registered Auditors

NORSTON INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 24 MARCH 2000

	Note	2000 £	1999 £
Turnover		-	-
Administrative expenses		(2,930)	(9,210)
Operating loss	2	(2,930)	(9,210)
Interest receivable and similar income		2,930	7,278
Interest payable and similar charges	4	(1)	(64)
Profit/loss on ordinary activities before taxation		(1)	(1,996)
Tax on profit/loss on ordinary activities	5	700	(1,852)
Retained profit/loss for the financial year	12	<u>699</u>	<u>(3,848)</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

NORSTON INVESTMENTS LIMITED

YEAR ENDED 24 MARCH 2000

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2000 £	1999 £
Reported profit/loss on ordinary activities before taxation	(1)	(1,996)
Realisation of gains recognised in previous periods	-	55,000
Historical cost profit on ordinary activities before taxation	<u>(1)</u>	<u>53,004</u>
Historical cost profit for the year retained after taxation and dividends	<u>699</u>	<u>51,152</u>

NORSTON INVESTMENTS LIMITED

BALANCE SHEET

24 MARCH 2000

	Note	2000 £	£	1999 £	£
Fixed assets					
Investments	6		173,907		173,907
Current assets					
Debtors	7	-		7,436	
Cash at bank		-		620	
		-		8,056	
Creditors: Amounts falling due within one year	8	<u>(3,439)</u>		<u>(2,586)</u>	
Net current (liabilities)/assets			(3,439)		5,470
Total assets less current liabilities			<u>170,468</u>		<u>179,377</u>
Creditors: Amounts falling due after more than one year	9		<u>(107,518)</u>		<u>(117,126)</u>
			<u>62,950</u>		<u>62,251</u>
Capital and reserves					
Called-up equity share capital	11		1,000		1,000
Profit and loss account	12		61,950		61,251
Shareholders' funds	13		<u>62,950</u>		<u>62,251</u>

These financial statements were approved by the directors on the 25 OCTOBER 2000 and are signed on their behalf by:


H S LEWIS

NORSTON INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2000

1. Accounting policies

1.1 Basis of accounting

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

1.2 Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, including those relating to pensions, to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are only recognised if recovery without replacement by equivalent debit balances is reasonably certain.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

2. Operating loss

Operating loss is stated after charging:

	2000 £	1999 £
Auditors' remuneration: - as auditors	<u>2,883</u>	<u>625</u>

3. Particulars of employees

There were no employees during the year apart from the directors.

4. Interest payable and similar charges

	2000 £	1999 £
Interest payable on bank borrowing	<u>1</u>	<u>64</u>

NORSTON INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 24 MARCH 2000

5. Tax on profit/loss on ordinary activities

	2000 £	1999 £
In respect of the year:		
Corporation tax based on the results for the year at 20% (1999 - 31%)	-	1,852
Adjustment in respect of previous years:		
Corporation tax	(700)	-
	<u>(700)</u>	<u>1,852</u>

6. Investments

	Shares in associated undertaking £	Unlisted investment £	Total £
Cost			
At 25 March 1999 and 24 March 2000	<u>173,906</u>	<u>1</u>	<u>173,907</u>
Net book value			
At 24 March 2000	<u>173,906</u>	<u>1</u>	<u>173,907</u>
At 24 March 1999	<u>173,906</u>	<u>1</u>	<u>173,907</u>

In the opinion of the directors, the aggregate value of the company's investment in its associated undertaking and unlisted investment is not less than the amount included in the balance sheet.

	Country of registration or incorporation	Shares held Class	%
Associated undertaking			
Cosmin Limited	England	Ordinary	15

Cosmin Limited is a holding company.

7. Debtors

	2000 £	1999 £
Other debtors	<u>-</u>	<u>7,436</u>

NORSTON INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 24 MARCH 2000

8. Creditors: Amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	714	-
Corporation tax	-	1,852
Accruals and deferred income	2,725	734
	<u>3,439</u>	<u>2,586</u>

9. Creditors: Amounts falling due after more than one year

	2000 £	1999 £
Amounts owed to group undertakings	<u>107,518</u>	<u>117,126</u>

The amounts owed to group undertakings are interest free, unsecured and have no fixed repayment date.

10. Related party disclosures

The company was under the control of Mrs H Lewis throughout the current and previous year.

Name of related party (Relationship)	Nature of Transaction	Amount		Amount due (to) / from related party	
		2000 £	1999 £	2000 £	1999 £
David Lewis & Partners Limited (Common control)	Interest receivable	2,930	7,278	-	7,278
Molyneux Securities Limited (Parent undertaking)	Transfers	9,608	111,650	(107,518)	(117,126)
Molyneux Management Services Limited (Fellow subsidiary undertaking)	Administration fee payable	<u>-</u>	<u>8,250</u>	<u>-</u>	<u>-</u>

NORSTON INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 24 MARCH 2000

11. Share capital

Authorised share capital:

	2000 £	1999 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2000 £	1999 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

12. Reserves

	Profit and loss account £
Balance brought forward	61,251
Profit for the year	699
Balance carried forward	<u>61,950</u>

13. Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit/Loss for the financial year	699	(3,848)
Opening shareholders' equity funds	<u>62,251</u>	<u>66,099</u>
Closing shareholders' equity funds	<u>62,950</u>	<u>62,251</u>

14. Parent undertaking

The parent undertaking is Molyneux Securities Limited, a company incorporated in England. Group financial statements are prepared and are available to the public from Companies House, Crown Way, Cardiff, CF4 3UZ.