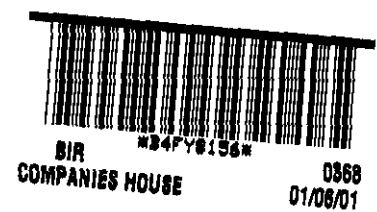


RALPH MARTINDALE (EXPORTS) LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2000

Registered number 3398001



RALPH MARTINDALE (EXPORTS) LIMITED

DIRECTORS' REPORT

31 December 2000

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

Principal activity and business review

The company's activities have been transferred to other group companies. The company has become dormant from 1 January 2000 and has not traded during the year. The intention is for the company to remain dormant.

Results and dividends

The profit for the year after taxation amounted to £510 (1999: £456,057). A dividend of £8,980 (1999: £925,000) has been paid, leaving a loss of £8,470 (1999: loss £468,943) to be transferred to reserves.

Directors

The following were directors of the company as at 31 December 2000

Mr. P.A. Hartley
Mr. R.V. Legiewicz
Mr. I. Marshall
Mr. N. Vasey
Mr. N. Ensor

Directors' interests

No director had any interest in the share capital of the company at any point during the year.

The following directors who are not directors of the parent company held ordinary shares in the parent company at 31 December 2000 as follows:

	Number
Mr. R.V. Legiewicz	1,420
Mr. N. Vasey	470
Mr. N. Ensor	-

The remaining directors' interests in the share capital of the parent company are disclosed in the group accounts.

By order of the Board

Crocodile House
Strawberry Lane
Willenhall
West Midlands
WV13 3RS

S.M. Yardley

J.M. Yardley

Secretary

22 March 2001

RALPH MARTINDALE (EXPORTS) LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

31 December 2000

We are required under company law 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 year.

In preparing these financial statements we are required to:

- select suitable accounting policies and apply them consistently
- make reasonable and prudent judgements and estimates
- prepare the financial statements on a going concern basis unless in our view the company will be unable to continue in business.

We are also responsible for:

- keeping proper accounting records
- safeguarding the company's assets
- taking reasonable steps for the prevention and detection of fraud

By order of the Board

J. M. Yardley.

J.M. Yardley

Secretary

22 March 2001

RALPH MARTINDALE (EXPORTS) LIMITED

AUDITORS' REPORT

Auditors' report to the shareholders of Ralph Martindale (Exports) Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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 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 at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

HLB Kidsons

HLB Kidsons

Registered Auditors

Chartered Accountants

Birmingham

26 March 2001

RALPH MARTINDALE (EXPORTS) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2000

	Note	Twelve months ended 31 December 2000 £	Nine months ended 31 December 1999 £
Turnover	2	-	4,269,219
Cost of sales		-	(3,010,021)
		<hr/>	<hr/>
Gross profit		-	1,259,198
Distribution costs		-	(367,402)
Administrative expenses		-	(215,797)
		<hr/>	<hr/>
Operating profit	3	-	675,999
Interest payable and similar charges	5	-	(24,220)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	651,779
Tax on profit on ordinary activities	6	510	(195,722)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		510	456,057
Dividends paid	7	(8,980)	(925,000)
		<hr/>	<hr/>
Retained loss	12	(8,470)	(468,943)
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses other than those included in the profit and loss account which were all derived from discontinuing operations.

RALPH MARTINDALE (EXPORTS) LIMITED

BALANCE SHEET

at 31 December 2000

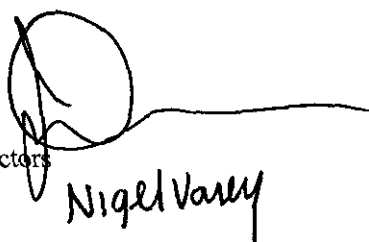
	Note	2000 £	1999 £
Current assets			
Debtors	8	250,000	2,039,451
Cash at bank and in hand		<u> -</u>	<u> 193</u>
		250,000	2,039,644
Creditors: amounts falling due within one year	9	<u> -</u>	<u>(1,781,174)</u>
Net current assets		<u>250,000</u>	<u>258,470</u>
Capital and reserves (equity)			
Called up share capital	11	250,000	250,000
Profit and loss account	12	<u> -</u>	<u> 8,470</u>
Total shareholders' funds		<u>250,000</u>	<u>258,470</u>

The accounts on pages 4 to 9 were approved by the board of directors on 22 March 2001

I. Marshall)

) Directors

N. Vasey)


Nigel Vasey

RALPH MARTINDALE (EXPORTS) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

1 Principal accounting policies

Basis of accounting

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

Turnover

Turnover represents the amount receivable in respect of goods delivered to customers during the year, net of value added tax.

Stocks and work in progress

Stocks and work in progress have been valued at the lower of cost and net realisable value. Cost is based on purchase price or production cost including related fixed and variable production overheads and depreciation. Net realisable value is based on estimated selling price less the cost of disposal.

Deferred taxation

Deferred taxation takes account of timing differences between the treatment of certain items for taxation purposes and their treatment in the financial statements. Provision, calculated on the liability method, is made for all timing differences other than those where there is a reasonable probability that they will continue for the foreseeable future.

Foreign currency transactions

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Significant differences arising due to exchange fluctuations have been reflected in the profit and loss account.

Pension costs

The cost of providing retirement pensions is charged to the profit and loss account over the years benefiting from the employees' services.

2 Turnover

The analysis of turnover by geographical area is as follows

	Twelve months ended 31 December 2000	Nine months ended 31 December 1999
	£	£
Europe	-	23,196
Rest of World	-	4,246,023
	-	4,269,219

RALPH MARTINDALE (EXPORTS) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

3	Operating profit	Twelve months ended 31 December 2000	Nine months ended 31 December 1999
	Operating profit is stated after charging	£	£
	Depreciation of tangible fixed assets		
	- owned assets	-	-
	Auditors remuneration	-	2,250
		<u> </u>	<u> </u>
4	Directors and employees		
	Staff costs		
	Wages and salaries	-	14,191
	Social security charges	-	988
	Pension costs	<u> </u>	<u>1,277</u>
		-	16,456
		<u> </u>	<u> </u>
	Average number employed	Number	Number
	Administration	-	1
		<u> </u>	<u> </u>
	Directors' emoluments were paid by the parent company, Ralph Martindale and Company Limited.		
5	Interest payable and similar charges	£	£
	Group interest	-	20,124
	Bank interest	<u> </u>	<u>4,096</u>
		-	24,220
		<u> </u>	<u> </u>
6	Taxation		
	UK Corporation tax	-	196,000
	Prior year overprovision	(510)	(278)
		(510)	195,722
		<u> </u>	<u> </u>

RALPH MARTINDALE (EXPORTS) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

7	Dividends	Twelve months ended 31 December 2000 £	Nine months ended 31 December 1999 £
	Dividend paid 3.592 pence per share (31 December 1999: 370 pence per share)	8,980	925,000
		<u> </u>	<u> </u>
8	Debtors		
	Trade debtors	-	171,453
	Amounts due from parent undertaking	250,000	615,684
	Amounts due from fellow subsidiary undertakings	-	1,251,635
	Other debtors	<u> </u>	<u> 679</u>
		250,000	2,039,451
		<u> </u>	<u> </u>
9	Creditors: amounts falling due within one year		
	Bank loans and overdraft	-	225,794
	Trade creditors	-	19,408
	Amount owed to fellow subsidiaries	-	434,148
	Corporation tax	-	156,000
	Proposed dividend	-	925,000
	Accruals and deferred income	<u> </u>	<u> 20,824</u>
		-	1,781,174
		<u> </u>	<u> </u>
10	Reconciliation of shareholders' funds		
	Profit for the year	510	456,057
	Less dividend	<u>(8,980)</u>	<u>(925,000)</u>
	Net subtraction from shareholders' funds	(8,470)	(468,943)
	Opening shareholders' funds	<u>258,470</u>	<u>727,413</u>
	Closing shareholders' funds	250,000	258,470
		<u> </u>	<u> </u>

RALPH MARTINDALE (EXPORTS) LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

11 Called up share capital (2000 and 1999)

Authorised, allotted called up and fully paid £1 ordinary shares	Number of shares	£
250,000 ordinary shares of £1 each	250,000	250,000
	<u> </u>	<u> </u>

12 Profit and loss account

31 December 2000

£

Profit and loss account brought forward	8,470
Retained loss for the year	(8,470)
Profit and loss account carried forward	-
	<u> </u>

13 Cash flow statement

Under Financial Reporting Standard No. 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.

14 Parent company

The parent company, which owns 100% of the issued ordinary share capital, is Ralph Martindale and Company Limited which is incorporated in Great Britain and registered in England and Wales.

15 Related party transactions

As a wholly owned subsidiary of the parent company, the company claims exemption under Financial Reporting Standard No. 8 from disclosing related party transactions with other group companies.