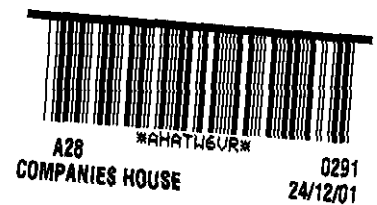


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OMNIKOTE LIMITED
COMPANY NUMBER 3704991
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH MARCH 2001

KING LOOSE & CO
REGISTERED AUDITORS

St John's House
5 South Parade
Summertown
Oxford OX2 7JL



OMNIKOTE LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 28TH MARCH 2001

Director	S. Rennie Esq.
Secretary	Miss L. C. White
Company Number	3704991
Registered Office	Chamberlain Road Aylesbury Bucks HP19 3DY
Auditors	King Loose & Co Registered Auditors St John's House 5 South Parade Summertown Oxford OX2 7JL
Bankers	National Westminster Bank plc 22 Market Square Aylesbury Bucks HP20 1TR

OMNIKOTE LIMITED

AUDITORS' REPORT TO OMNIKOTE LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on the following pages together with the financial statements of Omnikote Limited for the year ended 28th March 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

The director is responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 28th March 2001, and the abbreviated accounts on pages 4 to 9 are properly prepared in accordance with those provisions.

King, Loose & Co

26th October 2001

**King Loose & Co
Registered Auditors**

**St John's House
5 South Parade
Summertown
Oxford OX2 7JL**

OMNIKOTE LIMITED

BALANCE SHEET

AS AT 28TH MARCH 2001

	<u>Notes</u>	<u>2001</u>		<u>2000</u>	
		£	£	£	£
Fixed Assets					
Tangible assets	8		144,096		143,385
Current Assets					
Stocks		16,286		15,867	
Debtors		405,128		404,501	
Cash at bank and in hand		119,542		56,971	
		<u>540,956</u>		<u>477,339</u>	
Creditors: amounts falling due within one year		<u>(645,894)</u>		<u>(616,264)</u>	
Net Current Liabilities			<u>(104,938)</u>		<u>(138,925)</u>
Total Assets Less Current Liabilities			<u>39,158</u>		<u>4,460</u>
Capital and Reserves					
Called up share capital	11	6,580		100	
Share premium account	12	30,888		-	
Profit and loss account		<u>1,690</u>		<u>4,360</u>	
Equity Shareholders' Funds		<u>39,158</u>		<u>4,460</u>	

The abbreviated financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements were approved by the board of directors on

.....*23rd October*..... 2001

.....*[Signature]*.....
S. Rennie Esq.
Director

OMNIKOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH MARCH 2001

1. Accounting Policies

1.1. Accounting convention

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

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

1.2. Research and development

Research expenditure is written off against profits in the year in which it is incurred.

1.3. Tangible fixed assets and depreciation

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

Leasehold improvements	-	10% reducing balance basis
Plant and machinery	-	15% reducing balance basis
Office equipment	-	25% reducing balance basis
Motor vehicles	-	25% reducing balance basis

1.4. Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5. Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.6. Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for accounts and taxation purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the foreseeable future.

2. Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, which are continuing, and are earned predominantly within the United Kingdom, stated net of value added tax.

OMNIKOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH MARCH 2001

8. Tangible fixed assets

	<u>Leasehold</u> <u>improve-</u> <u>ments</u>	<u>Plant and</u> <u>machinery</u>	<u>Office</u> <u>equipment</u>	<u>Motor</u> <u>vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost					
At 30th March 2000	21,842	276,811	43,175	57,130	398,958
Additions	-	8,503	-	19,495	27,998
At 28th March 2001	21,842	285,314	43,175	76,625	426,956
Depreciation					
At 30th March 2000	5,943	186,039	37,301	26,290	255,573
Charge for the year	1,590	14,892	1,469	9,336	27,287
At 28th March 2001	7,533	200,931	38,770	35,626	282,860
Net book value					
At 28th March 2001	14,309	84,383	4,405	40,999	144,096
At 29th March 2000	15,899	90,772	5,874	30,840	143,385

OMNIKOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH MARCH 2001

11. Share capital	<u>2001</u>	<u>2000</u>
	£	£
Authorised		
1,000 ordinary 'A' shares of £1 each	1,000	1,000
1,000,000 ordinary 'B' shares of £0.01 each	10,000	-
	<u>11,000</u>	<u>1,000</u>
Issued and fully paid		
100 ordinary 'A' shares of £1 each	100	100
648,000 ordinary 'B' shares of £0.01 each	6,480	-
	<u>6,580</u>	<u>100</u>

The ordinary 'B' shares are non-voting shares, but rank pari-passu with the ordinary 'A' shares in all other respects.

During the year the company enhanced its equity capital by the creation of a new class of share, in order to increase employee participation and involvement in the company.

As the first step of an ongoing process, 648,000 ordinary 'B' shares were issued by the company of which 600,000 were allocated to Omnikote Holdings Limited by way of a bonus issue out of net profits.

12. Reserves

	<u>Share premium account</u>	<u>Profit and loss account</u>	<u>Total</u>
	£	£	£
At 29th March 2000	-	4,360	4,360
Premium on issue of shares	30,888	-	30,888
(Loss)/retained profit for the year after bonus issue	-	(2,670)	(2,670)
At 28th March 2001	<u>30,888</u>	<u>1,690</u>	<u>32,578</u>

OMNIKOTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28TH MARCH 2001

13. Reconciliation of movements in shareholders' funds

	<u>2001</u>	<u>2000</u>
	£	£
Profit for the year	18,330	34,360
Dividends	(15,000)	(30,000)
	<hr/> 3,330	<hr/> 4,360
Net proceeds of equity share issue	31,368	100
	<hr/> 34,698	<hr/> 4,460
Net addition to shareholders' funds	34,698	4,460
Opening shareholders' funds	4,460	-
	<hr/> 39,158	<hr/> 4,460
Closing shareholders' funds	<hr/> <hr/> 39,158	<hr/> <hr/> 4,460

14. Related party transactions

- a) The company was controlled throughout the current and previous period by its director, Mr S. A. Rennie, by virtue of the fact that he owns 100% of the ordinary shares in the holding company.
- b) Mr S. A. Rennie also personally owns one of the properties from which Omnikote Limited operates, for which market value rent is paid in monthly instalments.
- c) Omnikote Limited has ongoing commercial transactions by way of recharges to and purchases from Nylon Colours Limited, a company 60% controlled by Mr S. A. Rennie via his holding in Nylon Colours (Holdings) Limited. All transactions are upon normal commercial terms, and include recharges for shared facilities.

15. Ultimate parent undertaking

The directors consider Omnikote (Holdings) Limited to be the ultimate holding company for Omnikote Limited.

16. Amounts due under operating leases

The company has ongoing annual commitments in respect of premises rent amounting to £79,500 per annum.