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W & R LEWIS LIMITED
FINANCIAL STATEMENTS
for the fifty-two weeks ended
26 October 2003



W & R LEWIS LIMITED
FINANCIAL STATEMENTS
FOR THE FIFTY-TWO WEEKS ENDED 26 OCTOBER 2003

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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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W & R LEWIS LIMITED**Directors**

F W Wood (Chairman)
N R Carrick
E D W Phillips
D Robinson

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the fifty-two weeks ended 26 October 2003 ("the year").

Business review

The company is dormant.

The results for the year are shown in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend.

Directors

The membership of the Board is shown above. All served on the Board throughout the year.

Directors' shareholdings

None of the directors has any beneficial interest in the share capital of the company. The interests of Messrs F W Wood and N R Carrick in the share capital of Cosalt plc, the ultimate parent company, are disclosed by that company.

The interests of the other directors in the ordinary share capital of Cosalt plc are as follows:

	At 26 October 2003	At 27 October 2002
E D W Phillips	873	873

These holdings include shares issued under the Cosalt plc Employees' Profit Sharing Scheme.

W & R LEWIS LIMITED**DIRECTORS' REPORT**

(continued)

Mr E D W Phillips also held options to purchase Cosalt plc ordinary shares under the various Cosalt plc Executive Share Option Schemes as follows:-

At 27 October 2002	Granted during year	Exercised during year	Lapsed during year	At 26 October 2003	Exercise price (p)	Dates from which exercisable	Expiry Date
11,000	-	-	-	11,000	222.50	26.04.04*	25.04.11
1,908	-	-	-	1,908	289.50	28.06.05*	27.06.12
12,092	-	-	-	12,092	289.50	28.06.05*	27.06.09
-	15,000	-	-	15,000	346.50	04.08.06*	03.08.10
25,000	15,000	-	-	40,000			

* Performance criteria must be met before exercise permitted.

The market price of Cosalt plc ordinary shares at 26 October 2003 was 338.0p and the range during the year was 256.0p to 367.5p.

By order of the Board



A J Robson
Secretary
Fish Dock Road
GRIMSBY

16 July 2004

W & R LEWIS 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 at the end of the year, and of the profit or loss of the company 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 assume 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 have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS, KPMG AUDIT PLC TO THE
MEMBERS OF W & R LEWIS LIMITED**

We have audited the financial statements on pages 5 to 12.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities as independent auditors are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit 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 26 October 2003, and of its result for the fifty-two weeks then ended, and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
Leeds

16 July 2004

W & R LEWIS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE FIFTY-TWO WEEKS ENDED 26 OCTOBER 2003

		52 weeks ended 26 October 2003	52 weeks ended 27 October 2002
	Note	£	£
Turnover	2	<u>-</u>	<u>2,112,053</u>
Operating profit	3	<u>-</u>	<u>37,093</u>
Profit on ordinary activities before taxation		<u>-</u>	<u>37,093</u>
Taxation	5	<u>-</u>	<u>11,626</u>
Profit for the financial year	9	<u><u>-</u></u>	<u><u>25,467</u></u>

All operations are classed as discontinued.

The company has no recognised gains or losses other than the profits for the years disclosed above; accordingly, a statement of recognised gains and losses has not been included in these financial statements.

The notes on pages 7 to 12 form part of these financial statements.

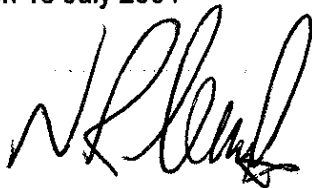
W & R LEWIS LIMITED

BALANCE SHEET - 26 OCTOBER 2003

	Note	26 October 2003		27 October 2002	
		£	£	£	£
Fixed Assets					
Investments	6		99		99
Current Assets					
Debtors	7		<u>673,084</u>		<u>673,084</u>
Net Assets			<u>673,183</u>		<u>673,183</u>
Capital and reserves					
Called up share capital	8		22,000		22,000
Capital redemption reserve	9		2,035		2,035
Profit and loss account	9		<u>649,148</u>		<u>649,148</u>
Equity shareholders' funds	9		<u>673,183</u>		<u>673,183</u>

Approved by the Board on 16 July 2004

N R Carrick – Director



The notes on pages 7 to 12 form part of these financial statements.

W & R LEWIS LIMITED

NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003

1 Accounting policies

Basis of accounting

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

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 is a wholly owned subsidiary undertaking of a parent undertaking which publishes a consolidated cash flow statement.

Depreciation

Tangible fixed assets are depreciated on a straight line basis at annual rates which vary depending on the type of asset but which are generally:

Leasehold property improvements	Over life of lease
Plant and machinery	5-20%
Motor vehicles	20-25%

Intangible fixed assets

Patents and licences purchased by the company are capitalised at their cost and amortised to nil by equal annual instalments over their useful economic lives, generally their respective unexpired years, of between 2 and 7 years.

Leased assets

Assets which are financed by leasing agreements transferring substantially all the risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to profit and loss account. All other payments under lease agreements are charged in full to profit and loss account.

Stocks

Stocks are stated at the lower of cost, including an appropriate proportion of production overheads, and net realisable value.

Deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

Pension costs

Contributions to the group's defined benefit pension schemes are charged to the profit and loss account so as to spread the cost of pensions over employees' service lives.

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable, in accordance with the rules of the scheme.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction, or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currency are translated using the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in the profit and loss account.

W & R LEWIS LIMITED**NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003**

(continued)

2 Turnover

Turnover represents the goods and services, excluding value added tax, invoiced to customers arising from the principal activities as disclosed in the Directors' Report. All turnover originated in the United Kingdom.

3 Operating profit

Operating profit has been arrived at after charging/(crediting):

	2003 £	2002 £
Movement in stocks of finished goods and work in progress	-	260,301
Raw materials and consumables	-	1,063,057
Auditors' remuneration - audit fees	-	12,000
Plant hire	-	10,568
Other external charges	-	231,103
Staff costs (note 4)	-	466,281
Depreciation on owned assets	-	31,650
	<u>-</u>	<u>2,074,960</u>

W & R LEWIS LIMITED

NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003

(continued)

4 Directors and employees	2003 £	2002 £
Staff costs:		
Wages and salaries	-	429,639
Social security costs	-	33,723
Other pension costs	-	<u>2,919</u>
	<u>-</u>	<u>466,281</u>
Emoluments of the directors of the company were:		
Remuneration for management:	<u>-</u>	<u>17,840</u>
	Number	Number
The number of directors accruing benefits under defined benefit pension schemes in respect of qualifying service was:	3	3
The number of directors granted share options in respect of Cosalt plc shares during the year was:	3	3
The number of directors exercising options in respect of Cosalt plc shares during the year was:	3	-
The average number of employees of the company during the year was:		
Management and administration	-	10
Sales and distribution staff	<u>-</u>	<u>17</u>
	<u>-</u>	<u>27</u>

W & R LEWIS LIMITED

NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003

(continued)

5 Taxation

	2003 £	2002 £
The taxation charge based on the profit on ordinary activities is:		
UK corporation tax payable at 30% (2002: 30%)	-	13,000
Deferred taxation	<u>-</u>	<u>(1,374)</u>
	<u>-</u>	<u>11,626</u>

Factors affecting the current tax charge.

The differences are reconciled below:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>-</u>	<u>37,093</u>
Tax at current UK Corporation tax rate of 30% (2002: 30%)	-	11,128
Effects of:		
Expenses not deductible for tax purposes:		
Other	-	498
Timing differences between capital allowances and depreciation	<u>-</u>	<u>1,374</u>
Current tax charge for year	<u>-</u>	<u>13,000</u>

6 Investments

	£
Cost and net book value	
At 27 October 2002 and 26 October 2003	<u>99</u>

7 Debtors

	2003 £	2002 £
Amounts falling due within one year:		
Amounts due from fellow subsidiary undertakings	<u>673,084</u>	<u>673,084</u>

W & R LEWIS LIMITED

NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003

(continued)

8 Called up share capital		2003 £	2002 £
Authorised:			
14,000 'A' ordinary shares of £1 each		14,000	14,000
8,000 'B' ordinary shares of £1 each		8,000	8,000
3,000 ordinary shares of £1 each		<u>3,000</u>	<u>3,000</u>
		<u>25,000</u>	<u>25,000</u>
Issued and fully paid:			
14,000 'A' ordinary shares of £1 each		14,000	14,000
8,000 'B' ordinary shares of £1 each		<u>8,000</u>	<u>8,000</u>
		<u>22,000</u>	<u>22,000</u>
9 Reserves		2003 £	2002 £
a) Reconciliation of movements in equity shareholders' funds			
Profit for the financial year		-	25,467
Opening equity shareholders' funds		<u>673,183</u>	<u>647,716</u>
Closing equity shareholders' funds		<u>673,183</u>	<u>673,183</u>
b) Profit and loss account			
	Capital redemption reserve £	Profit and loss account £	Total £
Balance at 27 October 2002 and at 26 October 2003		<u>2,035</u>	<u>649,148</u>
			<u>651,183</u>

W & R LEWIS LIMITED**NOTES ON FINANCIAL STATEMENTS - 26 OCTOBER 2003**

(continued)

10 Pension commitments

The company is part of the Cosalt plc group which operates several pension schemes, the major one being of the defined benefit type, and the assets of these schemes are held in separate trustee administered funds. This scheme was closed to new entrants on 25 July 2000 and replaced by a defined contribution scheme.

The Group has continued to account for pensions in accordance with Statement of Standard Accounting Practice 24 (SSAP24) and the disclosures required by that standard are included in the Group financial statements.

A new pension cost accounting standard, Financial Reporting Standard 17 (FRS17) was issued in November 2000, although mandatory full implementation has been deferred. Prior to this implementation transitional disclosure rules apply.

Contributions of £nil (2002: £nil) were made to the company's defined contribution scheme during the year and are charged to the profit and loss account as they become payable.

11 Related party transactions

The company has taken advantage of the exemption from disclosing related party transactions with other group companies, as permitted by Financial Reporting Standard No. 8 as the consolidated financial statements in which the company is included are publicly available.

12 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Cosalt plc which is the ultimate parent company, incorporated in England. The consolidated accounts of this company are available to the public and may be obtained from Fish Dock Road, Grimsby, DN31 3NW.