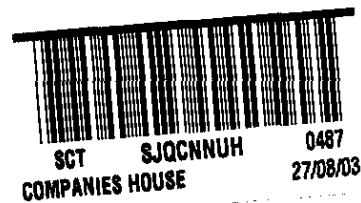


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SEET LIMITED
FINANCIAL STATEMENTS
for the fifty-two weeks ended
27 October 2002



SEET LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27 OCTOBER 2002

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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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SEET LIMITED

Directors

F W Wood (Chairman)
A P H Thomas
N R Carrick

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the fifty-two weeks ended 27 October 2002 ("the year").

Business review

The principal activity of the company continues to be that of a holding company.

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

The directors recommend the payment of a final dividend of £1,944,000 (2001: Nil).

Directors

The membership of the Board is shown above. All served on the Board for the whole of the year. Mr P McDonald and Mr K Scates resigned as Directors on 30 April and 31 October 2002 respectively.

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 27 October 2002	At 28 October 2001
A P H Thomas	2,730	2,730

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

SEET LIMITED

DIRECTORS' REPORT (continued)

Mr A P H Thomas also held options to purchase Cosalt plc ordinary shares under the various Cosalt plc Executive Share Option Schemes as follows:-

At 28 Oct 2001	Granted during year	Exercised during year	Lapsed during year	At 27 Oct 2002	Exercise price (p)	Dates from which exercisable	Expiry date
7,250	-	-	-	7,250	219.5	17.02.00*	16.02.07
2,750	-	-	-	2,750	219.5	17.02.00*	16.02.04
10,000	-	-	-	10,000	232.5	23.12.00*	22.12.04
15,000	-	-	-	15,000	204.5	22.12.01*	21.12.05
7,800	-	-	-	7,800	179.5	28.04.03*	27.04.10
9,200	-	-	-	9,200	179.5	28.04.03*	27.04.07
17,000	-	-	-	17,000	222.5	26.04.04*	25.04.08
-	17,000	-	-	17,000	289.5	28.06.05*	27.06.09
69,000	17,000	-	-	86,000			

* Performance criteria must be met before exercise permitted.

The market price of Cosalt plc ordinary shares at 27 October 2002 was 280.5p and the range during the year was 209.0p to 305.0p.

Fixed assets

The movement in tangible fixed assets are set out in note 6 to the financial statements.

Adoption of FRS 19

The new accounting standard, FRS 19: Deferred taxation, has been adopted in the period. The adoption of FRS19 has not resulted in any change in the deferred taxation position previously reported and hence no prior year adjustment has been recorded.

Auditors

The auditors, KPMG Audit Plc, have expressed their willingness to continue in office. In accordance with Section 384 of the Companies Act 1985, a resolution for their re-appointment will be proposed at the Annual General Meeting.

By order of the Board



A J Robson
Secretary

Fish Dock Road
GRIMSBY

19 August 2003

SEET 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
SEET LIMITED**

We have audited the financial statements on pages 5 to 13.

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 27 October 2002, and of its loss 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

19 August 2003

SEET LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE FIFTY-TWO WEEKS ENDED 27 OCTOBER 2002**

		52 weeks ended 27 October 2002	43 weeks ended 28 October 2001
	Note	£	£
Operating (loss)/profit	2	(436,223)	205,106
Interest payable and similar charges (net)	3	<u>101,284</u>	<u>136,024</u>
(Loss)/profit on ordinary activities before taxation		(537,507)	69,082
Taxation on ordinary activities	5	<u>210,082</u>	<u>35,023</u>
(Loss)/profit for the financial year/period		(747,589)	34,059
Dividends	6	<u>(1,944,000)</u>	<u>-</u>
Transferred to reserves	12	<u>(2,691,589)</u>	<u>34,059</u>

All operations are classed as continuing.

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 13 form part of these financial statements.

SEET LIMITED

BALANCE SHEET – 27 OCTOBER 2002

	Note	27 October 2002		28 October 2001	
		£	£	£	£
Fixed assets					
Tangible fixed assets	7		2,176		1,062
Investments - subsidiary undertakings	8		<u>3,219,789</u>		<u>4,880,529</u>
			3,221,965		4,881,591
Current assets					
Debtors	9	6,286,433		6,631,416	
Bank and cash balances		<u>136,779</u>		<u>82,281</u>	
		6,423,212		6,713,697	
Creditors					
Amounts falling due within one year	10	<u>4,284,076</u>		<u>3,542,598</u>	
Net current assets			<u>2,139,136</u>		<u>3,171,099</u>
Net assets			<u>5,361,101</u>		<u>8,052,690</u>
Capital and reserves					
Called up share capital	11		3,591,955		3,591,955
Share premium account	12		1,548,810		1,548,810
Profit and loss account	12		<u>220,336</u>		<u>2,911,925</u>
Equity shareholders' funds			<u>5,361,101</u>		<u>8,052,690</u>

Approved by the Board on 19 August 2003



N R Carrick - Director

The notes on pages 7 to 13 form part of these financial statements.

SEET LIMITED**NOTES ON FINANCIAL STATEMENTS – 27 OCTOBER 2002****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.

Subsidiary undertakings

Group financial statements are not prepared for the company and its subsidiary undertaking by virtue of Section 228 of the Companies Act 1985.

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:

Plant and machinery	5 to 20%
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Pension costs

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

For defined contribution schemes all contributions are charged directly to the profit and loss account in the years in which they are payable.

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.

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS – 27 OCTOBER 2002
(continued)

2 Operating profit

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

	2002	2001
	£	£
Group dividends receivable	(790,402)	(39,857)
Other operating income	(878,425)	(863,500)
Other external charges	3,191	104,874
Auditors' remuneration	5,675	8,172
Staff costs (note 4)	110,000	298,937
Other professional costs	22,536	168,732
Depreciation on owned assets	1,062	812
Profit on sale of shares	-	(11,892)
Other operating charges	-	128,616
Amounts written off investment in subsidiary undertakings	1,570,142	-
Amounts written off loans to subsidiary undertakings	<u>392,444</u>	<u>-</u>
	<u>436,223</u>	<u>(205,106)</u>

3 Interest payable and similar charges

	2002	2001
	£	£
Bank interest	<u>101,284</u>	<u>136,024</u>

4 Directors and employees

	2002	2001
	£	£
Staff costs:		
Wages and salaries	110,000	133,672
Social security costs	-	12,793
Other pension costs	<u>-</u>	<u>152,472</u>
	<u>110,000</u>	<u>298,937</u>

Emoluments of the directors of the company were:

Remuneration for management:	<u>110,000</u>	<u>245,542</u>
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Remuneration of the highest paid director for 2002 was £110,000 (2001: £75,283).

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 27 OCTOBER 2002
(continued)

4 Directors and employees (continued)

	Number	Number
The number of directors accruing benefits under defined benefit pension schemes in respect of qualifying service was:	3	6
The number of directors granted share options in respect of Cosalt plc shares during the year was:	3	3
The average number of employees of the company during the year was:		
Management and administration	-	4

5 Taxation on ordinary activities

	2002 £	2001 £
The taxation charge based on the profit on ordinary activities is:		
UK corporation tax payable at 30% (2001 - 30%)	190,500	35,500
Deferred taxation	<u>293</u>	<u>(34)</u>
	190,793	35,466
Adjustments in respect of prior years:		
Corporation tax	20,284	-
Deferred taxation	<u>(995)</u>	<u>(443)</u>
	<u>210,082</u>	<u>35,023</u>

Factors affecting the current tax charge.

The tax assessed on the (loss)/profit on ordinary activities for the year is higher (2001: higher) than the standard rate of corporation tax in the UK of 30% (2001: 30%)

The differences are reconciled below:

	2002 £	2001 £
(Loss)/Profit on ordinary activities before tax	<u>(537,507)</u>	<u>69,082</u>
Tax at current UK Corporation tax rate of 30% (2001: 30%)	(161,252)	20,725
Effects of:		
Expenses not deductible for tax purposes	388	14,741
Depreciation in excess of capital allowances	293	34
Other permanent differences	351,071	-
Adjustments to tax charge in respect of previous periods	<u>20,284</u>	<u>-</u>
Current tax charge for year/period	<u>210,784</u>	<u>35,500</u>

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 27 OCTOBER 2002
(continued)

6	Dividends	2002 £	2001 £
	Final dividend proposed 10.8p per share (2001: £nil)	<u>1,944,000</u>	<u>-</u>
7	Tangible fixed assets	Plant and machinery £	
	Cost		
	At 29 October 2001	34,643	
	Group transfer	<u>7,923</u>	
	At 27 October 2002	<u>42,566</u>	
	Depreciation		
	At 29 October 2001	33,581	
	Charged to profit and loss account	1,062	
	Group transfer	<u>5,747</u>	
	At 27 October 2002	<u>40,390</u>	
	Net book values		
	At 27 October 2002	<u>2,176</u>	
	At 29 October 2001	<u>1,062</u>	

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 27 OCTOBER 2002
(continued)**8 Investments**

	2002 £
Cost	
At 29 October 2001	4,979,994
Less pre acquisition dividend	<u>(90,598)</u>
At 27 October 2002	<u>4,889,396</u>
Amounts written off	
At 29 October 2001	99,465
Additional provision required	<u>1,570,142</u>
At 27 October 2002	<u>1,669,607</u>
Net book value	
At 27 October 2002	<u>3,219,789</u>
At 29 October 2001	<u>4,880,529</u>

9 Debtors

	2002 £	2001 £
Amounts falling due within one year:		
Trade debtors	4,523	706
Amounts due from fellow subsidiary undertakings	5,399,731	6,559,463
Group taxation relief recoverable	-	63,500
Other taxation recoverable	-	4,797
Deferred taxation (note 13)	1,179	477
Dividends due	881,000	-
Prepayments and accrued income	<u>-</u>	<u>2,473</u>
	<u>6,286,433</u>	<u>6,631,416</u>

10 Creditors

	2002 £	2001 £
Amounts falling due within one year:		
Loans	-	90,000
Trade creditors	7,531	41,009
Amount owed to ultimate parent company	2,160,000	2,900,000
Amounts owed to fellow subsidiary undertakings	65,286	466,800
Corporation tax	63,584	-
Other taxation	31,347	406
Other creditors	5,383	5,383
Accruals and deferred income	6,945	39,000
Dividends	<u>1,944,000</u>	<u>-</u>
	<u>4,284,076</u>	<u>3,542,598</u>

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 27 OCTOBER 2002
(continued)

11 Called up share capital	2002	2001
	£	£
Authorised: 35,000,000 ordinary shares of 20p each	<u>7,000,000</u>	<u>7,000,000</u>
Issued and fully paid: 17,959,766 ordinary shares of 20p each	<u>3,591,955</u>	<u>3,591,955</u>
12 Reserves	2002	2001
	£	£
Reconciliation of movements in equity shareholders' funds		
Profit for the financial year/period	(747,589)	34,059
Dividends	<u>(1,944,000)</u>	<u>-</u>
	(2,691,589)	34,059
Opening equity shareholders' funds	<u>8,052,690</u>	<u>8,018,631</u>
Closing equity shareholders' funds	<u>5,361,101</u>	<u>8,052,690</u>
	Share premium	Profit and
	account	loss account
Reserves	£	£
Balance at 29 October 2001	1,548,810	2,911,925
Loss for the year	<u>-</u>	<u>(2,691,589)</u>
Balance at 27 October 2002	<u>1,548,810</u>	<u>220,336</u>
13 Deferred taxation	£	
At 29 October 2001	(477)	
Credited to profit and loss account	<u>(702)</u>	
At 27 October 2002	<u>(1,179)</u>	
	2002	2001
	£	£
The deferred taxation debtor comprises:		
Accelerated tax allowances	<u>(1,179)</u>	<u>(477)</u>

14 Pension commitments

The company has responsibility for a defined benefit pension scheme. The assets of the scheme are held separate to those of the company, and following a review of the scheme, the liability for existing pension commitments were secured by the purchase of insured annuities, which was funded by the sale of part of the investment portfolio of the scheme. There was 1 active member and 66 deferred pensioners as at 27 October 2002.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees working lives with the Group. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation available is at 1 July 2000. The assumptions, which have made the most significant effect on the results of the valuation, are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would exceed salary increases by 0.5% per annum and that future pensions will increase at 3% per annum compound for pensions accrued prior to 5 April 1997, and at 5% or RPI if less in respect of pensions accrued after 6 April 1997.

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 27 OCTOBER 2002
(continued)

14 Pension commitments (continued)

At the last actuarial valuation date the scheme was in surplus by £228,000. Given the small size of the scheme and low number of active members the directors considered it inappropriate to obtain updated valuations of the scheme's assets and liabilities for FRS 17 purposes at the balance sheet date. The following information is considered to provide a reasonable approximation of the scheme's position at the balance sheet date.

Scheme assets

Over 95% of the combined assets of the scheme are invested in managed funds, currently weighted 32.3% to equities and 67.7% to bonds and cash. The assets of the scheme were last valued at 31 December 2002. At this date the market valuation was £1,455,945.

The valuation of the assets at the last actuarial date was £2,142,000 (1 July 2000).

Scheme liabilities

The table below shows the valuation of the scheme's liabilities at the last actuarial date, together with the number of active members at that date.

<i>Value of liabilities</i>	<i>Date of actuarial valuation</i>	<i>Active members at actuarial date</i>
£1,914,000	1 July 2000	3

The pension charge for the year was £nil (2001: £8,334).

During the year, the company made contributions amounting to £nil (2001: £147,472) to a money purchase scheme. The pensions cost charged in the financial statements reflects the contributions payable by the company during the year.

15 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.

16 Ultimate parent company

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.