

Pride Limited

**Directors' report and financial statements
for the year ended 30 September 2000**

Registered number: 2050821



Pride Limited

Directors' report for the year ended 30 September 2000

The directors present their report and the audited financial statements of the company for the year ended 30 September 2000.

Principal activity and review of business

The principal activity of the company is to hold investments in the United Kingdom.

The company and its subsidiary undertakings have had a successful period of trading, and it is anticipated that this will continue in the future.

Results and dividend

The results of the company for the year are shown in the annexed financial statements. A dividend of £493,000 has been declared (1999: £440,000) for the year. The retained loss for the year of £1,000 (1999: £1,000) will be transferred from reserves.

Directors and their interests

The directors of the company during the year and up to the date of this report were as follows:

C Thomas
I Henderson
D Twist

The directors' interests in the £1 ordinary shares of Pride Limited at the end of the year were as follows:

	30 September 2000 Number	30 September 1999 Number
D Twist	17,970	17,970

The interests of Mr C Thomas and Mr I Henderson in the ordinary share capital of Diploma Plc are as disclosed in the financial statements of Diploma Plc, the ultimate parent undertaking.

Taxation status

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 period.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 September 2000 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

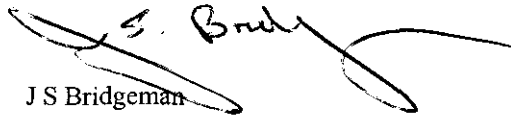
Pride Limited

Directors' report for the year ended 30 September 2000 (continued)

Auditors

Our auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



J S Bridgeman
Secretary

15 March 2001

Pride Limited

Auditors' report to the members of Pride Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1 this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 30 September 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors
Bristol

15 March 2001

Pride Limited

Profit and loss account for the year ended 30 September 2000

	Notes	2000 £'000	1999 £'000
Administrative expenses		(1)	(1)
Operating loss		(1)	(1)
Income from shares in group undertakings		493	440
Profit on ordinary activities before taxation	3	492	439
Tax on profit on ordinary activities	4	-	-
Profit on ordinary activities after taxation		492	439
Dividends	5	(493)	(440)
Retained loss for the financial year transferred from reserves	10	(1)	(1)

All operations are continuing operations.

There are no other recognised gains or losses during the period.

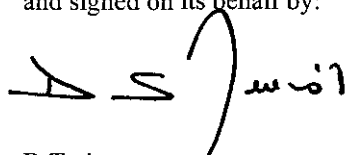
The notes on pages 6 to 9 form part of these accounts.

Pride Limited

Balance sheet at 30 September 2000

	Notes	2000 £'000	1999 £'000
Fixed assets			
Investments	6	163	163
Current assets			
Debtors	7	1,047	996
		1,047	996
Creditors - amounts falling due within one year	8	(495)	(443)
Net current assets		552	553
Total assets less current liabilities		715	716
Capital and reserves			
Called up share capital	9	210	210
Share premium account	10	19	19
Profit and loss account	10	486	487
Equity shareholders' funds	11	715	716

Approved by the Board on 15 March 2001
and signed on its behalf by:



D Twist
Director

The notes on pages 6 to 9 form part of these accounts.

Pride Limited

Notes to the accounts - 30 September 2000

1 Accounting policies

(1) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. Under S228 of the Companies Act 1985, the company is exempt from preparing group accounts as the company is itself a subsidiary undertaking and its parent undertaking holds more than 50% of the shares in the company and notice requesting the preparation of group accounts has not been served on the company by any of the remaining shareholders. Accordingly these financial statements present information about the company as an individual undertaking and not about its group.

(2) Deferred tax

Deferred tax is provided to the extent that it is probable that a liability will crystallise in the foreseeable future.

(3) Cash flow statement

Diploma plc, the ultimate parent company, has included a cash flow statement in the group accounts for the year ended 30 September 2000. As Diploma plc has a greater than 90% holding in the company, in accordance with Financial Reporting Standard 1, the company has taken advantage of the exemption from preparing a cash flow statement.

2 Employees

The company had no employees other than directors during the year and the preceding year. The directors received no emoluments during the year (1999: £nil).

3 Profit on ordinary activities before tax

	2000 £'000	1999 £'000
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	1	1

4 Tax on profit on ordinary activities

	2000 £'000	1999 £'000
Taxation based on profit on ordinary activities for the year comprises:		
Current year UK Corporation tax at 30% (1999: 31%)	-	-

There are no unprovided deferred tax liabilities (1999: £Nil).

Pride Limited

Notes to the accounts - 30 September 2000 (continued)

5 Dividends

	2000 £'000	1999 £'000
Proposed: 234.5p (1999:209.4p) per £1 ordinary share	493	440

6 Investments

	2000 £'000	1999 £'000
Shares in group undertakings	163	163

In the opinion of the directors the value of the investment in the subsidiary undertaking is not less than the value shown in the balance sheet.

Group undertakings	Business	Country of registration/ Incorporation	Proportion of nominal value of shares held
Rayfast Limited	Marketing plastic tubing	England	100%
IS Group (Europe) Limited	Dormant	England	100%
Insyst Group Limited	Dormant	England	100%

7 Debtors

	2000 £'000	1999 £'000
Amounts owed by subsidiary undertaking	1,047	987
ACT recoverable	-	9
	1,047	996

Pride Limited

Notes to the accounts - 30 September 2000 (continued)

8 Creditors - amounts falling due within one year

	2000 £'000	1999 £'000
Other creditors	1	1
Dividend payable	493	440
Accruals	1	2
	495	443

9 Called up share capital

	Number	2000 £	Number	1999 £
Authorised:				
Ordinary shares of £1 each	250,000	250,000	250,000	250,000
Ordinary shares of £1 each:				
Allotted, issued and fully paid	210,218	210,218	210,218	210,218

10 Reserves

	Share premium account £'000	Profit and loss account £'000
Balance at 1 October 1999	19	487
Retained loss for the financial year	-	(1)
Balance at 30 September 2000	19	486

Pride Limited

Notes to the accounts - 30 September 2000 (continued)

11 Reconciliation of movement in shareholders' funds

	2000 £'000	1999 £'000
Profit for financial year	492	439
Dividends	(493)	(440)
Net reduction in shareholders' funds	(1)	(1)
Opening shareholders' funds	716	717
Closing shareholders' funds	715	716

12 Related party transactions and ultimate parent undertaking

The company's immediate and ultimate parent undertaking is Diploma Plc, a company incorporated in England, which is the smallest and largest group into which the results of Pride Limited are consolidated. Copies of the group's financial statements are available from the Company Secretary, Diploma Plc, 20 Bunhill Row, London EC1Y 8LP.

The company has taken advantage of the exemption under Financial Reporting Standard 8 not to disclose details of transactions with other related parties within the group.

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