

RALPH PETERS & SONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

Company No. 2268310



BLEVINSFRANKS
CHARTERED ACCOUNTANTS



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RALPH PETERS & SONS LIMITED

COMPANY INFORMATION

Directors	R.P. Peters M.J. Peters
Secretary	G.R. Ruffell
Company number	2268310
Registered office	The Kennels Lyon Way Greenford Middlesex UB6 0BN
Business address	The Kennels Lyon Way Greenford Middlesex UB6 0BN

RALPH PETERS & SONS LIMITED

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RALPH PETERS & SONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2000

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

Principal activities

The company is the holding company of Slush Puppie Limited whose principal activity is that of processing and distribution of Slush Puppie Ice Crystal Drink and associated equipment.

The company did not trade in the year and a profit and loss account has not been prepared.

Directors and their interests

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital of £1 each were:

Name of director	At 31st December 2000	At 1st January 2000
R.P. Peters	30,000	30,000
M.J. Peters	5,000	5,000

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 and of the profit or loss 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;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 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.

RALPH PETERS & SONS LIMITED

DIRECTORS' REPORT

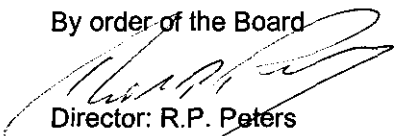
FOR THE YEAR ENDED 31ST DECEMBER 2000

Small company exemptions

The report of the Directors' has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

Approved by the board and signed on its behalf by :

By order of the Board


Director: R.P. Peters

Date: 9/10/01

**AUDITORS' REPORT TO THE
SHAREHOLDERS OF RALPH PETERS & SONS LIMITED**

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

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and 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 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 the 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 31st December 2000 and have been properly prepared in accordance with the Companies Act 1985.

Blevins Franks Limited
Blevins Franks Limited
Chartered Accountants and Registered Auditors
Barbican House
26-34 Old Street
London
EC1V 9QQ

Date: 11 October 2001

Ref: DSF/R335

RALPH PETERS & SONS LIMITED

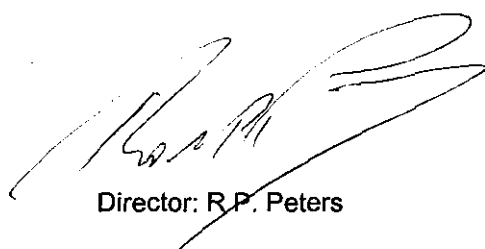
BALANCE SHEET

AS AT 31ST DECEMBER 2000

	Notes	£	2000 £	£	1999 £
Fixed assets					
Investments	2		466,561		466,561
Total assets less current liabilities			466,561		466,561
Creditors: amounts falling due after more than one year					
	3		(414,940)		(414,940)
			51,621		51,621
Capital and reserves					
Share capital	5		50,000		50,000
Profit and loss account			1,621		1,621
Shareholders' funds			51,621		51,621

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

These financial statements were approved by the board and signed on its behalf by:



Director: R.P. Peters

Date: 9/10/01

RALPH PETERS & SONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

1 Accounting policies

Basis of accounting

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

Consolidation

The financial statements contain information about Ralph Peters & Sons Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium group.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2 Fixed asset investments

	Shares in Group Undertakings £
Cost	
At 1st January 2000	466,561
At 31st December 2000	<u><u>466,561</u></u>
Net book value	
At 31st December 2000	<u><u>466,561</u></u>
At 31st December 1999	<u><u>466,561</u></u>

The company owns 100% of the issued share capital of Slush Puppie Limited, a company registered in England and Wales.

The company's principal activity is that of the processing and distribution of the Slush Puppie Ice Crystal drink and associated equipment.

The aggregate capital and reserves of Slush Puppie Limited as at 31 December 2000 amounted to £ 2,180,852 (1999: £2,091,419) and the profit for the year after taxation was £ 89,433 (1999: £303,780).

RALPH PETERS & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

3	Creditors: amounts falling due after more than one year	2000	1999
		£	£
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	414,940	414,940
		414,940	414,940

4 Contingent assets/liabilities

The company and its subsidiary, Slush Puppie Limited have entered into cross guarantees relating to certain bank borrowings. No borrowings were outstanding at 31 December 1999 (1998: £Nil).

5	Share capital	2000	1999
		£	£
	Authorised		
	50,000 Ordinary shares of £1 each	50,000	50,000
	1 Special share of £1 each	1	1
		50,001	50,001
	Allotted, called up and fully paid		
	50,000 Ordinary shares of £1 each	50,000	50,000

The authorised share capital of the company was increased to 50,001 shares by the creation of 1 special share of £1.

The special share can only be held by the two existing directors or other entitled person designated by the existing directors. The special rights attached to the share cease if the share is transferred to a non-entitled person and the share is re-designated as ordinary shares.

The special share shall have such number of additional votes so that resolutions are determined in accordance with the wishes of the holder of the special share. The holder of the special share may appoint a person or persons as additional directors.

The special share has no right to participate in the profits of the company. On winding up, the special share is entitled to the return of capital paid up including premium if any.

The ordinary shareholders are entitled to all dividends and distributions out of profits. On winding up, the ordinary shareholders are entitled to the balance of distribution of capital after the return of capital to the special shareholder.

6 Related parties

In the director's opinion the company is controlled by R.P. Peters who is the majority shareholder and director.