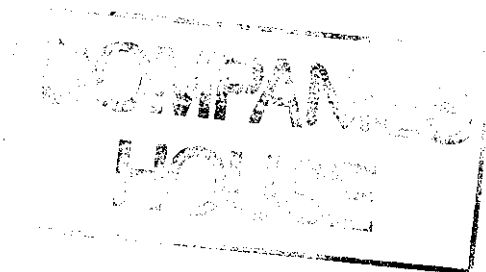


Company Registration No. 3095607 (England and Wales)

RIBBLE HOLDINGS LTD

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2003



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RIBBLE HOLDINGS LTD

COMPANY INFORMATION

Directors

D Haynes
M O'Hara
S Rector

Secretary

S Rector

Company number

3095607

Registered office

Greengate Street
Oldham
OL41DF

Auditors

Royce Peeling Green
The Copper Room
Deva Centre, Trinity Way
Manchester, M3 7BG

RIBBLE HOLDINGS LTD

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RIBBLE HOLDINGS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003, these financial statements present information about the company as an individual undertaking not as a group.

Principal activities and review of the business

The principal activity of the company continued to be that of a holding company, it has not traded in it's own right. No significant changes are anticipated.

The directors have been pleased with the performance of the group during the year.

Results and dividends

The results for the year are set out on page 4.

The directors propose the payment of an interim dividend totalling £72,000 and a final dividend totalling £24,000.

Post balance sheet events

At the 25th June 2004 the company was at an advanced stage in negotiations regarding a management buy out. It is anticipated that this will conclude succesfully in the near future.

Future developments

The directors anticipate that the company's immediate subsidiary company Ribble Packaging Limited will continue to trade profitably during the current year.

Directors

The following directors have held office since 1 January 2003:

D Haynes
M O'Hara
S Rector

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2003	1 January 2003
D Haynes	333	333
M O'Hara	333	333
S Rector	333	333

	Preferred Ordinary shares of £ 1 each	
	31 December 2003	1 January 2003
D Haynes	-	-
M O'Hara	-	-
S Rector	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Royce Peeling Green be reappointed as auditors of the company will be put to the Annual General Meeting.

RIBBLE HOLDINGS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

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 of the company for that period. 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.

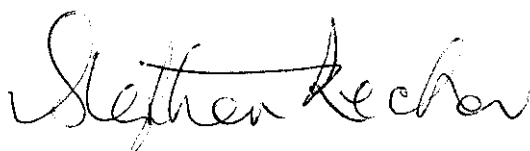
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

.....
S Rector

Director

14/7/2004



RIBBLE HOLDINGS LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RIBBLE HOLDINGS LTD

We have audited the financial statements of Ribble Holdings Ltd on pages 4 to 11 for the year ended 31 December 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

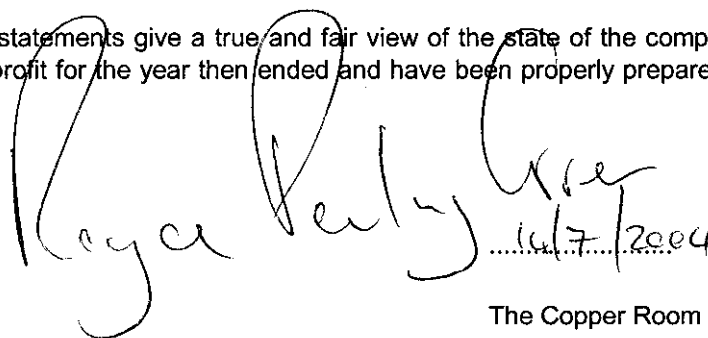
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Royce Peeling Green

Chartered Accountants
Registered Auditor



.....14/7/2004

The Copper Room
Deva Centre, Trinity Way
Manchester, M3 7BG

RIBBLE HOLDINGS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Operating profit		-	-
Investment income	2	96,000	495,200
Profit on ordinary activities before taxation		96,000	495,200
Tax on profit on ordinary activities	3	-	-
Profit on ordinary activities after taxation		96,000	495,200
Dividends	4	(96,000)	(192,408)
Retained profit for the year	9	-	302,792

The profit and loss account has been prepared on the basis that all operations are continuing operations.

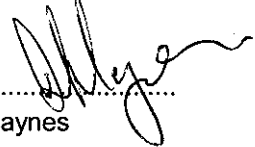
There are no recognised gains and losses other than those passing through the profit and loss account.

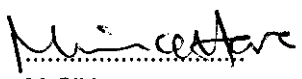
RIBBLE HOLDINGS LTD

BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Investments	5		172,500		172,500
Current assets					
Debtors	6	24,000		192,400	
Creditors: amounts falling due within one year	7	<u>(194,998)</u>		<u>(363,398)</u>	
Net current liabilities			<u>(170,998)</u>		<u>(170,998)</u>
Total assets less current liabilities			<u>1,502</u>		<u>1,502</u>
Capital and reserves					
Called up share capital	8		1,202		1,202
Other reserves	9		306		306
Profit and loss account	9		<u>(6)</u>		<u>(6)</u>
Shareholders' funds - equity interests	10		<u>1,502</u>		<u>1,502</u>

The financial statements were approved by the Board on14/7/2004


D Haynes
Director


M O'Hara
Director

RIBBLE HOLDINGS LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

	2003		2002	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		192,400		(2,800)
Returns on investments and servicing of finance				
Dividends received	72,000		302,800	
Net cash inflow for returns on investments and servicing of finance		72,000		302,800
Equity dividends paid		(264,400)		-
Net cash (outflow)/inflow before management of liquid resources and financing		-		300,000
Financing				
Purchase of own shares	-		(300,000)	
Net cash outflow from financing		-		(300,000)
Decrease in cash in the year		-		-

RIBBLE HOLDINGS LTD

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

1	Reconciliation of operating loss to net cash inflow/(outflow) from operating activities	2003	2002
		£	£
	Decrease/(increase) in debtors	192,400	-
	Increase/(decrease) in creditors within one year	-	(2,800)
	Net cash inflow/(outflow) from operating activities	192,400	(2,800)

2	Analysis of net debt	1 January 2003	Cash flow	Other non-cash changes	31 December 2003
		£	£	£	£
	Net cash:				
	Net debt	-	-	-	-

3	Reconciliation of net cash flow to movement in net debt	2003	2002
		£	£
	Decrease in cash in the year	-	-
	Movement in net debt in the year	-	-
	Opening net debt	-	-
	Closing net debt	-	-

RIBBLE HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.4 Group accounts

The directors have taken advantage of the exemptions from the requirement to prepare group accounts under s248 of the Companies Act 1985 on the grounds that the group is medium sized within the meaning of that Act.

2 Investment income

2003

2002

£

£

Income from shares in group undertakings

96,000

495,200

3 Taxation

Current tax charge

-

-

Factors affecting the tax charge for the year

Profit on ordinary activities before taxation

96,000

495,200

Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2002: 30.00%)

28,800

148,560

Effects of:

Dividends and distributions received

(28,800)

(148,560)

(28,800)

(148,560)

Current tax charge

-

-

RIBBLE HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

4	Dividends	2003 £	2002 £
	Ordinary interim paid	72,000	-
	Ordinary final proposed	24,000	192,408
		<u>96,000</u>	<u>192,408</u>

5 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2003 & at 31 December 2003	<u>172,500</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Ribble Packaging Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial period were as follows:

	Capital and reserves 2003 £	Result for the period 2003 £
Ribble Packaging Limited	<u>1,955,279</u>	<u>714,813</u>

6	Debtors	2003 £	2002 £
	Other debtors	<u>24,000</u>	<u>192,400</u>

RIBBLE HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

7	Creditors: amounts falling due within one year	2003	2002
		£	£
	Amounts owed to subsidiary undertakings	170,990	170,990
	Proposed dividend	24,008	192,408
		<u>194,998</u>	<u>363,398</u>
8	Share capital	2003	2002
		£	£
	Authorised		
	3,000 Ordinary shares of £1 each	3,000	3,000
	2,000 Preferred Ordinary shares of £1 each	2,000	2,000
		<u>5,000</u>	<u>5,000</u>
	Allotted, called up and fully paid		
	999 Ordinary shares of £1 each	999	999
	203 Preferred Ordinary shares of £1 each	203	203
		<u>1,202</u>	<u>1,202</u>
9	Statement of movements on reserves	Other reserves (see below)	Profit and loss account
		£	£
	Balance at 1 January 2003	306	(6)
	Balance at 31 December 2003	<u>306</u>	<u>(6)</u>
	Other reserves		
	Capital redemption reserve		
	Balance at 1 January 2003 & at 31 December 2003	<u>306</u>	

RIBBLE HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

10 Reconciliation of movements in shareholders' funds	2003 £	2002 £
Profit for the financial year	96,000	495,200
Dividends	(96,000)	(192,408)
	-	302,792
Purchase of own shares	-	(300,000)
Net (depletion in)/addition to shareholders' funds	-	2,792
Opening shareholders' funds	1,502	(1,290)
Closing shareholders' funds	1,502	1,502

11 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	333,091	425,059

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2002- 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	103,865	136,921
Company pension contributions to money purchase schemes	14,898	13,656

12 Employees

Number of employees

There were no employees during the year apart from the directors.

13 Post balance sheet events

At the 25th June 2004 the company was at an advanced stage in negotiations regarding a management buy out. It is anticipated that this will conclude successfully in the near future.