Company Registration No. 3532621 (England and Wales)

ELIXAROME LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2000



ELIXAROME LIMITED

COMPANY INFORMATION

Directors	R.J. Marriott B.D.J. Mackrill A.H.G. Phillips
Secretary	A.P. Rice-Tucker
Company Number	3532621
Registered Office	Hop Pocket Lane Paddock Wood Tonbridge Kent TN12 6DQ
Auditors	Creaseys Chartered Accountants and Registered Auditors 12 Lonsdale Gardens Tunbridge Wells Kent TN1 1PA
Bankers	National Westminster Bank plc PO Box 10862 180 Shoreditch High Street London E1 6HN
Solicitors	Thomson Snell & Passmore 3 Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1NX.

ELIXAROME LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 8

ELIXAROME LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2000

The directors present their report and financial statements for the period ended 31 March 2000.

Review of the business
The principal activity of the company continued to be that of the manufacture, packaging and sale of essential oils and aromatherapy products.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends
The results for the period are set out on page 4.

Directors
The following directors have held office since 1 August 1999:

R.J. Marriott	(Appointed 14 February 2000)
B.D.J. Mackrill	(Appointed 14 February 2000)
A.H.G. Phillips	
J.D. Phillips	(Resigned 14 February 2000)

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

	Ordinary shares of £ 1 each	
	31 March 2000	1 August 1999
R.J. Marriott	-	-
B.D.J. Mackrill	-	-
A.H.G. Phillips	200	500

Auditors
Creaseys were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2000

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



28/6/00

ELIXAROME LIMITED

AUDITORS' REPORT
TO THE SHAREHOLDERS OF ELIXAROME LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors
As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to 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 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 March 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Creaseys
Chartered Accountants
Registered Auditor

30th June 2000
12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

ELIXAROME LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 2000

	Notes	Period ended 31 March 2000 £	Period ended 31 July 1999 £
Turnover	2	**14,962**	7,134
Cost of sales		**(10,056)**	(4,337)
Gross profit		**4,906**	2,797
Administrative expenses		**(3,665)**	(5,944)
Profit/(loss) on ordinary activities before taxation	3	**1,241**	(3,147)
Tax on profit/(loss) on ordinary activities	4	**-**	-
Profit/(loss) on ordinary activities after taxation	9	**1,241**	(3,147)

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.

ELIXAROME LIMITED

BALANCE SHEET
AS AT 31 MARCH 2000

	Notes	2000 £	£	1999 £	£
Current assets					
Stocks	5	**12,589**		6,675	
Debtors	6	**4,341**		1,009	
Cash at bank and in hand		**232**		122	
		17,162		7,806	
Creditors: amounts falling due within one year	7	**(18,068)**		(9,953)	
Total assets less current liabilities			**(906)**		(2,147)
Capital and reserves					
Called up share capital	8		**1,000**		1,000
Profit and loss account	9		**(1,906)**		(3,147)
Shareholders' funds - equity interests	10		**(906)**		(2,147)

The financial statements were approved by the Board on 28/4/00

.....

Director

.....

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company is considered to be a going concern due to guarantees on borrowing requirements made by the parent company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Stock

Stock is valued at the lower of cost and net realisable value.

1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

In the opinion of the directors it would be seriously prejudicial to disclose the company's turnover in geographical segments.

3 Operating profit/(loss)

	2000	1999
	£	£
Operating profit/(loss) is stated after charging:		
Auditors' remuneration	750	500

4 Taxation

The company has estimated losses of £1,906 (1999 - £3,147) available for carry forward against future trading profits.

On the basis of these financial statements no provision has been made for corporation tax.

5 Stocks

	2000	1999
	£	£
Finished goods	12,589	6,675

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2000

6 Debtors

	2000	1999
	£	£
Trade debtors	4,027	910
Other debtors	314	99
	4,341	1,009

7 Creditors: amounts falling due within one year

	2000	1999
	£	£
Trade creditors	4,010	3,989
Amounts owed to parent undertaking	7,844	-
Directors' current accounts	981	981
Other creditors	4,233	4,233
Accruals and deferred income	1,000	750
	18,068	9,953

8 Share capital

	2000	1999
	£	£
Authorised		
1,000 Ordinary shares of £ 1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 Ordinary shares of £ 1 each	1,000	1,000

9 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 August 1999	(3,147)
Retained profit for the period	1,241
Balance at 31 March 2000	(1,906)

10 Reconciliation of movements in shareholders' funds	2000	1999
	£	£
Profit/(Loss) for the financial period	**1,241**	(3,147)
Proceeds from issue of shares	-	1,000
Net addition to/(depletion in) shareholders' funds	**1,241**	(2,147)
Opening shareholders' funds	**(2,147)**	-
Closing shareholders' funds	**(906)**	(2,147)

11 Employees

Number of employees
There were no employees during the period apart from the directors.

12 Control

The company is a 60% owned subsidiary of English Hop Products Limited which is incorporated in England and Wales.

13 Related party transactions

At the balance sheet date, the company owed A.H.G.Phillips £981 (1999: £981). There was no movement on this account during the period. The account is disclosed in the creditors note to the financial statements.

At the balance sheet date, the company owed Phillips Game Technology Limited, a company controlled by A.H.G. Phillips, £4,233 (1999: £4,233). This amount is included in Other creditors. During the period £3,686 was advanced and repaid.

During the period the company purchased goods totalling £6,371 from De Monchy Aromatics Limited, a company of which A.H.G. Phillips is a director. At the balance sheet date the company owed £2,565 (1999: £3,686). This amount is in Trade creditors.

During the period the company purchased goods totalling £5 from English Hop Products limited, the company's parent company. At the balance sheet date the company owed £7,844. This amount is disclosed in the creditors note to the financial statements.