

RS COMPONENTS HOLDINGS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
31 MARCH 2002



Report of the Directors for the period ended 31 March 2002

The Directors present their report and the audited financial statements for the year to 31 March 2002.

Business Review

The principal activity of the Company in the period under review was as an investment holding company.

Dividend

The Directors do not propose a dividend for the year (2001 £ nil).

Directors

The Directors who served during the year were:

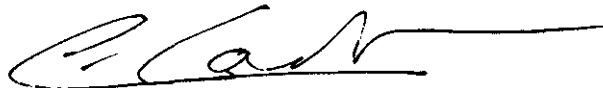
R B Butler
J L Hewitt

Interests in Shares

According to the register required to be kept by Section 325 of the Companies Act 1985, no Director of the Company held shares in the Company at 31 March 2002.

The interests of Mr J L Hewitt and Mr R B Butler in the share capital of Electrocomponents plc, the Company's ultimate parent, are disclosed in that company's report and accounts.

BY THE ORDER OF THE BOARD



CARMELINA CARFORA
Company Secretary

29 May 2002

Registered Office: International Management Centre
5000 Oxford Business Park South
Oxford
OX4 2BH

Registered Number: 3718521

Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each accounting period which give a true and fair view of the state of affairs of the Company and of the profit or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Shareholders of RS Components Holdings Limited

We have audited the financial statements on pages 4 to 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, 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.

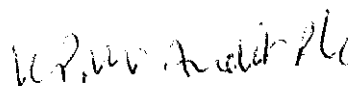
Basis of audit opinion

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 31 March 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**KPMG Audit Plc
Chartered Accountants
Registered Auditor
LONDON**

29 May 2002

Balance Sheet as at 31 March 2002

Notes		2002 £	2001 £
	Fixed assets		
2	Investment in group undertaking	5,620,656	5,620,656
	Current liabilities		
	Creditors: amounts falling due within one year		
	Amount owed to ultimate parent company	(1,044,695)	(1,044,695)
	Net assets	4,575,961	4,575,961
	Capital and reserves		
3	Called up equity share capital	3	3
	Share premium	4,575,958	4,575,958
		4,575,961	4,575,961

Profit and Loss account

During the year the Company did not trade and received no income and incurred no expenditure. Consequently, during the year the Company made neither a profit nor a loss and there were no other recognised gains or losses in the year.

These financial statements were approved by the Board of Directors on 29 May 2002 and signed on its behalf by:



J L Hewitt

Director

The notes on pages 5 and 6 form part of these financial statements

1. Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the requirements of the Companies Act 1985 and with applicable accounting standards.

Under s228 of the Companies Act 1985 consolidated financial statements have not been prepared because the Company is wholly owned by Electrocomponents plc, a company incorporated in Great Britain that prepares Group accounts. The Company is taking advantage of the exemption available under FRS 8 not to disclose transactions with other Group companies.

b) Investment in subsidiary and associate undertakings

Shares in subsidiary and associate undertakings are stated at the lower of cost and their underlying net asset value at the date of acquisition, less any provision necessary to reflect any subsequent permanent diminution in value.

c) Translation of foreign currencies

Profits are translated at weighted average exchange rates for the year and assets and liabilities at rates ruling at the balance sheet date. Where assets and liabilities are hedged against forward exchange contracts, they are stated at the forward contract rate. In accordance with SSAP 20 exchange differences arising on borrowings denominated in a foreign currency which are used to finance investments in that currency are taken to reserves to the extent that they do not exceed the differences arising on the investments themselves. Exchange differences arising in the normal course of trading are taken to the profit and loss account.

d) Cashflow statement

Under Financial Reporting Standard 1 (revised 1996), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and a Group cashflow statement is included in the accounts of the ultimate holding company.

2. Investment in group undertaking

	2002 £	2001 £
Investment at cost	<u>5,620,656</u>	<u>5,620,656</u>

The company owns 100% of the issued share capital of RS Components B.V., a company incorporated in the Netherlands which trades in mail order electronic, electrical and mechanical parts.

3. Called-up share capital

	2002 £	2001 £
Ordinary shares of £1 each:		
Authorised	<u>10,000,000</u>	<u>10,000,000</u>
Allotted, called-up and fully paid	<u>3</u>	<u>3</u>

4. Directors' emoluments and employees

The Directors received no emoluments from the Company.

The Company did not employ any staff during the year.

5. Auditor's remuneration

The remuneration of the auditor is borne by the ultimate parent company.

6. Ultimate holding company

The ultimate holding company is Electrocomponents plc, a company registered in England and Wales. Copies of the financial statements of Electrocomponents plc may be obtained from:

Electrocomponents plc
International Management Centre
5000 Oxford Business Park South
Oxford
OX4 2BH