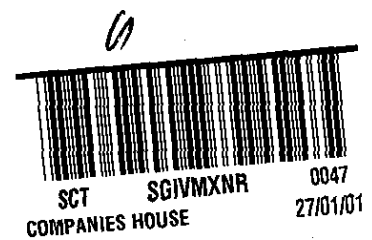


Textile Care Supplies Ltd
Financial Statements
31 October 2000

Company Registration Number 200043

HONEYMAN FLEMING

Chartered Accountants
Royal Bank Buildings
Church Street
Buckhaven
Fife KY8 1BN



Textile Care Supplies Ltd

The Director's Report

Period from 21 September 1999 to 31 October 2000

The director has pleasure in presenting his report and the unaudited financial statements of the company for the period from 21 September 1999 to 31 October 2000.

Principal activities

The company was incorporated on 21 September 1999 and commenced trading on 1 November 1999.

The principal activity of the company during the period was the sale of laundry and dry cleaning machinery and consumables.

The director and his interests in shares of the company

The director who served the company during the period together with his beneficial interests in the shares of the company was as follows:

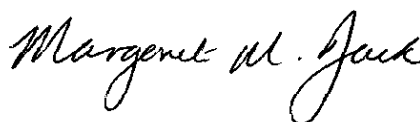
	Ordinary Shares of £1 each	
	At At 31 October 2000	21 September 1999
D.J.H Jack	<u>1</u>	<u>1</u>

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Norwood
9 Westgate
Leslie
Fife
KY6 3LP

Signed by order of the director



Mrs M.M Jack
Company Secretary

Approved by the director on 8 December 2000

Textile Care Supplies Ltd

Profit and Loss Account

Period from 21 September 1999 to 31 October 2000

	Note	Period from 21 Sep 99 to 31 Oct 00 £
Turnover		111,941
Cost of sales		<u>80,593</u>
Gross profit		31,348
Distribution Costs		2,831
Administrative expenses		<u>25,262</u>
Operating profit	2	3,255
Interest payable		35
Profit on ordinary activities before taxation		<u>3,220</u>
Tax on profit on ordinary activities	3	(555)
Retained profit for the financial period		<u><u>2,665</u></u>

The notes on pages 5 to 8 form part of these financial statements.

Textile Care Supplies Ltd

Balance Sheet

31 October 2000

	Note		£
Fixed assets			
Intangible assets	4		5,850
Tangible assets	5		<u>480</u>
			6,330
Current assets			
Stocks		14,016	
Debtors	6	<u>17,905</u>	
		31,921	
Creditors: Amounts falling due within one year	7	<u>(35,560)</u>	
Net current liabilities			<u>(3,639)</u>
Total assets less current liabilities			2,691
Provisions for liabilities and charges			
Deferred taxation	8		<u>(24)</u>
			<u>2,667</u>

The balance sheet continues on the following page.

The notes on pages 5 to 8 form part of these financial statements.

Textile Care Supplies Ltd

Balance Sheet (continued)

31 October 2000

	Note	31 Oct 00 £
Capital and reserves		
Called-up equity share capital	10	2
Profit and Loss Account		2,665
Shareholders' funds		<u>2,667</u>

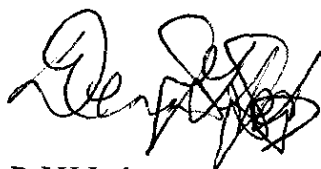
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved and signed by the director on 8 December 2000



D.J.H Jack

The notes on pages 5 to 8 form part of these financial statements.

Textile Care Supplies Ltd

Notes to the Financial Statements

Period from 21 September 1999 to 31 October 2000

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the period, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10%

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 20%

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. Operating profit

Operating profit is stated after charging:

	Period from 21 Sep 99 to 31 Oct 00 £
Director's emoluments	3,208
Amortisation	650
Depreciation	120

Textile Care Supplies Ltd

Notes to the Financial Statements

Period from 21 September 1999 to 31 October 2000

3. Tax on profit on ordinary activities

	Period from 21 Sep 99 to 31 Oct 00 £
Corporation Tax based on the results for the period at 13.70%	531
Increase in deferred tax provision (Note 8):	
Capital allowances	<u>24</u>
	<u>555</u>

4. Intangible fixed assets

	Goodwill £
Cost	
Additions	<u>6,500</u>
At 31 October 2000	<u>6,500</u>
Amortisation	
Charge for the period	<u>650</u>
At 31 October 2000	<u>650</u>
Net book value	
At 31 October 2000	<u>5,850</u>

5. Tangible fixed assets

	Equipment £
Cost	
Additions	<u>600</u>
At 31 October 2000	<u>600</u>
Depreciation	
Charge for the period	<u>120</u>
At 31 October 2000	<u>120</u>
Net book value	
At 31 October 2000	<u>480</u>

6. Debtors

	31 Oct 00 £
Trade debtors	<u>17,905</u>

Textile Care Supplies Ltd

Notes to the Financial Statements

Period from 21 September 1999 to 31 October 2000

7. Creditors: Amounts falling due within one year

	£
Bank loans and overdrafts	1,773
Trade creditors	22,451
Other creditors including taxation:	
Corporation Tax	531
VAT	1,034
Other creditors	9,771
	<u>11,336</u>
	<u>35,560</u>

8. Deferred taxation

Period from
21 Sep 99 to
31 Oct 00
£

The movement in the deferred taxation provision during the period was:

Provision for period	<u>24</u>
Provision carried forward	<u>24</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

Period from
21 Sep 99 to
31 Oct 00
£

Excess of taxation allowances over depreciation on fixed assets	<u>24</u>
---	-----------

9. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

Textile Care Supplies Ltd

Notes to the Financial Statements

Period from 21 September 1999 to 31 October 2000

10. Share capital

Authorised share capital:

1,000 Ordinary shares of £1.00 each

Allotted, called up and fully paid:

Issue of ordinary shares

31 Oct 00

£

1,000

31 Oct 00

£

2

To aid the incorporation of the company two ordinary shares of £1 each were issued for a cash consideration of £2 on 21 September 1999.