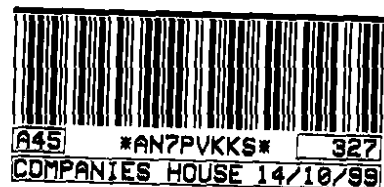


LITTLEWOODS POOLS LIMITED

(Registered No. 630845)

REPORTS AND FINANCIAL STATEMENTS

30 APRIL 1999



LITTLEWOODS POOLS LIMITED**REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1999**

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LITTLEWOODS POOLS LIMITED

REPORT OF THE DIRECTORS

The directors hereby submit their report, together with the financial statements of the company for the year ended 30 April 1999.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

On 30 April 1998, the company became a partner in Littlewoods Spot The Ball partnership. Other than its interest in Littlewoods Spot The Ball partnership, the company does not trade.

On 1 May 1999, as part of a scheme of group re-organisation, the company's immediate parent company, Littlewoods Leisure Limited, transferred the entire share capital of the company to a fellow subsidiary company, Littlewoods Promotions Limited. The ultimate holding company remains The Littlewoods Organisation PLC.

RESULTS AND DIVIDENDS

The profit for the period before taxation amounted to £182,549. The directors propose a dividend of £126,958.

DIRECTORS

The directors who held office during the period were:

Mr. J. C. Thwaite

Mr. A. R. Hillyer

(Resigned 24 June 1998)

Mr. G. Speakman

Mr. R. I. Duncan

(Appointed 24 June 1998, resigned 25 September 1998)

Mr. R. W. Younger

(Appointed 25 September 1998)

There are no interests of directors which are within the disclosure requirements of the Companies Act 1985 in relation to the company, in shares of the company, its holding company or subsidiaries of the holding company. During the period no remuneration or benefits of any kind were received by any director from the company.

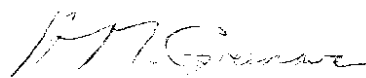
EMPLOYEES

The company does not have any employees.

LITTLEWOODS POOLS LIMITED**REPORT OF THE DIRECTORS****AUDITORS**

A resolution for the re-appointment of KPMG Audit Plc as auditor of the company will be proposed at the annual general meeting

BY ORDER OF THE BOARD



Littlewoods Secretarial Services Limited
Secretary

LIVERPOOL 17.2.1999

LITTLEWOODS POOLS LIMITED**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 period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on a 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 to prevent and detect fraud and other irregularities.

**REPORT OF THE AUDITOR, KPMG AUDIT PLC, TO THE MEMBERS OF
LITTLEWOODS POOLS LIMITED**

We have audited the financial statements on pages 6 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 4 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.

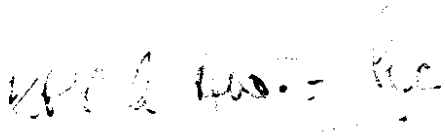
BASIS OF OPINION

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.

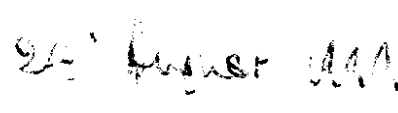
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the company at 30 April 1999 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 and
Registered Auditor

LIVERPOOL


2nd Partner M.A.

LITTLEWOODS POOLS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 1999

	Note	1999 £000	1998 £000
SHARE OF PARTNERSHIP PROFITS		<u>183</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		183	-
Taxation	3	56	-
PROFIT FOR THE FINANCIAL YEAR		<u>127</u>	<u>-</u>
Dividends	2	<u>127</u>	<u>-</u>
AMOUNT TRANSFERRED TO RESERVES FOR THE YEAR	7b	<u>-</u>	<u>-</u>

The company has no other recognised gains and losses other than the profit for the financial year shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation, and the amount transferred to reserves for the year stated above, and their historical cost equivalents.

LITTLEWOODS POOLS LIMITED

BALANCE SHEET AS AT 30 APRIL 1999

	Note	1999 £000	1998 £000
CURRENT ASSETS			
Debtors	4	2	80
Investments	5	190	7
Cash at bank and in hand		71	-
		263	87
CREDITORS:			
Amounts falling due within one year	6	183	7
NET CURRENT ASSETS		80	80
		80	80
CAPITAL AND RESERVES			
Called up share capital	7a	80	80
Profit and loss account	7b	-	-
EQUITY SHAREHOLDERS' FUNDS	7b	80	80

The financial statements on pages 6 to 10 were approved by the Board of Directors on 18.2.1999 and signed on their behalf by



G. Speakman
Director

LITTLEWOODS POOLS LIMITED**STATEMENT OF ACCOUNTING POLICIES****PRINCIPAL ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important group accounting policies, which have been applied consistently, is set out below.

BASIS OF ACCOUNTING

The financial statements have been prepared on the historical cost basis of accounting.

SHARE OF PARTNERSHIP PROFITS

On 30 April 1998 the company became a partner in Littlewoods Spot The Ball partnership. The accounts recognise as income the company's share of joint venture profits of Littlewoods Spot The Ball on an equity basis of accounting.

DEFERRED TAXATION

Deferred taxation is provided under the liability method, unless it can reasonably be demonstrated that no liability will arise within the foreseeable future.

CASH FLOW

The company is a wholly owned subsidiary of The Littlewoods Organisation PLC; consequently the company is exempt from the requirement of Financial Reporting Standard No.1 (Revised) to prepare a separate cash flow statement.

RELATED PARTY TRANSACTIONS

In accordance with the exemption conferred by Financial Reporting Standard No.8, details of transactions with entities in the same group have not been disclosed.

LITTLEWOODS POOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1999

1. DIRECTORS AND EMPLOYEES

The company has no employees.

During the year none of the directors received emoluments in respect of their services to the company. Four directors (1998 – four directors) participated in the group defined benefit pension scheme.

2. DIVIDENDS

	1999 £000	1998 £000
Ordinary shares		
Final proposed, £1.58698p (1998, £Nil p) per ordinary share	127	-
	<u>127</u>	<u>-</u>

3. TAXATION

	1999 £000	1998 £000
Corporation tax based on the results for the period		
Current tax at 30.91%	2	-
Group relief at 30.91%	54	-
	<u>56</u>	<u>-</u>

4. DEBTORS

	1999 £000	1998 £000
Amounts falling due within one year		
Amounts owed by group undertakings	-	77
Other debtors	2	3
	<u>2</u>	<u>80</u>

5. CURRENT ASSET INVESTMENTS

	1999 £000	1998 £000
Capital and current account balances in Littlewoods		
Spot The Ball as at 1 May 1998	7	-
Share of profit for the period	183	-
Drawings	-	-
Investment in partnership capital	-	7
At 30 April 1999	<u>190</u>	<u>7</u>

LITTLEWOODS POOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1999

6. CREDITORS

	1999 £000	1998 £000
Amounts falling due within one year		
Amounts owed to group undertakings	183	7
	<u>183</u>	<u>7</u>

7. CAPITAL AND RESERVES

a) CALLED UP SHARE CAPITAL

	1999 £000	1998 £000
Authorised		
80,000 ordinary shares of £1 each	80	80
	<u>80</u>	<u>80</u>
Allotted, called up and fully paid		
80,000 ordinary shares of £1 each	80	80
	<u>80</u>	<u>80</u>

b) RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £000	Profit and loss account £000	1999 Total £000	1998 Total £000
Profit for financial year	-	127	127	-
Dividend for the year	-	(127)	(127)	-
At 1 May 1998	80	-	80	80
At 30 April 1999	<u>80</u>	<u>-</u>	<u>80</u>	<u>80</u>

8. ULTIMATE PARENT COMPANY

The Company is a subsidiary of Littlewoods Leisure Limited, incorporated in Great Britain.

The largest Group in which the results of the company are consolidated is that headed by The Littlewoods Organisation PLC. No other Group accounts include the results of the Company.