

CARADON PILLAR EUROPE LIMITED
(Registered Number 814030)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2000



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CARADON PILLAR EUROPE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The Directors present their annual report together with the unaudited financial statements for the year ended 31 December 2000.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company has not traded during the year.

CHANGE OF NAME

On 23 November 2000 the name of the Company changed from Caradon Pillar Europe Limited to Novar Capital Limited. On 29 December 2000 the name of the Company changed from Novar Capital Limited to Caradon Capital Limited and on 11 May 2001 the name of the Company changed from Caradon Capital Limited to Caradon Pillar Europe Limited.

DIRECTORS AND DIRECTORS' INTERESTS

The composition of the Board of Directors during the year, and to the date of this report, was as follows:

C K Bhowmik
D Burningham
A E Holland

None of the Directors held any beneficial interests in shares in the Company during the year.

The interests of the Directors at the year end in the issued Ordinary shares of Novar plc, the ultimate parent undertaking, are as follows:

	31 December 2000		1 January 2000 or date of Appointment	
	Ordinary Shares Number	Options over Ordinary Shares Number	Ordinary Shares Number	Options over Ordinary Shares Number
C K Bhowmik	4,888	150,323	4,579	117,366
D Burningham	25	140,576	-	107,619
A E Holland	18,515	344,045	17,857	254,749

None of the directors had any interests in the B shares of Novar plc during the year. A E Holland had an interest in 99 Preference shares of Novar plc at 1 January 2000 and 31 December 2000.

CARADON PILLAR EUROPE LIMITED

The following options over Ordinary shares of Novar plc were granted to the directors during the year.

<u>Director</u>	<u>Options Granted</u> (Number of shares)
C K Bhowmik	32,957
D Burningham	32,957
A E Holland	92,691

None of the Directors exercised any share options during the year. Options over 3,395 shares held by A E Holland lapsed during the year.

No Director was or is interested in any transaction, arrangement or agreement with the Company which was material during or at the end of the year.

The Company has continued to provide liability insurance for its Directors and officers as permitted by the Companies Act 1985.

By Order of the Board



C K Bhowmik
Secretary

14 May 2001

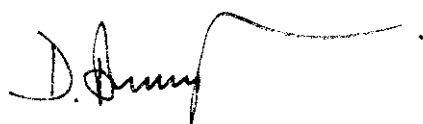
CARADON PILLAR EUROPE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

		2000	1999
	Notes	£'000	£'000
DEBTORS (amounts falling due after more than one year)	2	<u>13</u>	<u>13</u>
NET CURRENT ASSETS		<u>13</u>	<u>13</u>
NET ASSETS		<u>13</u>	<u>13</u>
CAPITAL AND RESERVES			
Called up share capital	3	-	-
Profit and loss account		<u>13</u>	<u>13</u>
SHAREHOLDERS' FUNDS		<u>13</u>	<u>13</u>

- (a) For the year ended 31 December 2000 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the Company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
- (i) ensuring the Company keeps accounting records which comply with section 221; 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 year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

These financial statements were approved by the Board of Directors on 14 May 2001 and signed on their behalf by:


D Burningham
DIRECTOR

CARADON PILLAR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

The 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 and in accordance with applicable accounting standards.

2. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2000	1999
	£'000	£'000
Amounts owed by parent undertaking	<u>13</u>	<u>13</u>

3. SHARE CAPITAL

	2000	1999
	£	£
Authorised:		
100,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:		
2 Ordinary Shares of £1 each	<u>2</u>	<u>2</u>

4. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Novar plc a company registered in England & Wales. The Novar Group is the largest and smallest group of which the Company is a member and for which group accounts are prepared. Copies of these group financial statements can be obtained from The Secretary, Novar plc, Novar House, 24 Queens Road, Weybridge, Surrey, KT13 9UX.