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New Tean Hall Mills Limited

**Directors' report and financial
statements**

Registered number 949666

15 month period ended 31 March 2000



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Directors' report

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

Principal activities and business review

The company has not traded during the period.

Dividend

The directors do not recommend the payment of a dividend (31 December 1998: £nil).

Directors and directors' interests

The directors who held office during the period were as follows:

J Halliwell (resigned 24 March 1999)
JD Bentley (resigned 4 November 1999)
W Rollason (appointed 4 November 1999)
M Henry (appointed 4 November 1999)
TR Wilkinson (appointed 4 November 1999)
JW Collins (appointed 24 March 1999; resigned 4 November 1999)

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial period.

TR Wilkinson, W Rollason and M Henry are also directors of the ultimate holding company. Their interests in the ordinary share capital of that company is disclosed in the directors report of that company.

Year 2000

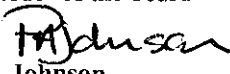
The company has not been affected by Year 2000 issues.

Auditors

During the period, KPMG Audit Plc resigned as auditors of the company, and KPMG were appointed to fill the casual vacancy.

KPMG have indicated their willingness to continue in office, and in accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company will be put to the forthcoming Annual General Meeting.

By order of the board


P A Johnson
Secretary

Hansard Gate
The Meadows Industrial Estate
Derby
DE21 6RR
15 November 2000

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 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;
- 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 to prevent and detect fraud and other irregularities.



Festival Way
Stoke on Trent
Staffordshire ST1 5TA
United Kingdom

Report of the auditors to the members of New Tean Hall Mills 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. 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 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 result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Chartered Accountants
Registered Auditors*

2000

Profit and loss account

for the 15 month period ended 31 March 2000

	<i>Note</i>	Period ended 31 March 2000 £000	Year ended 31 December 1998 £000
Waiver of balances with fellow subsidiaries		-	(140)
Retained loss for the period		-	(140)
Retained (loss)/profit brought forward		(10)	130
Retained loss carried forward		(10)	(10)

The company has no recognised gains or losses other than the loss for the period.

Balance sheet

At 31 March 2000

	Note	31 March 2000 £000	31 December 1998 £000
Capital and reserves			
Called up share capital	3	10	10
Profit and loss account		(10)	(10)
		<hr/>	<hr/>
		-	-
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 15 November 2000 and were signed on its behalf by:



TR Wilkinson
 Director

Notes

(forming part of the financial statements)

1 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.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

2 Profit and loss account

The directors do not receive remuneration for their services to the company and any audit fees are borne by the parent company, Rykneld Tean Limited.

3 Called up share capital

	31 March 2000 £000	31 December 1998 £000
<i>Authorised, issued and fully paid</i>		
10,000 ordinary shares of £1 each	10	10

4 Immediate parent and ultimate holding company

The company is a subsidiary undertaking of Rykneld Tean Limited, which is incorporated in Great Britain and registered in England and Wales. The ultimate controlling party is Rykneld Tean (Holdings) Limited (formerly Mawlaw 458 Limited), which is incorporated in Great Britain and registered in England and Wales.

The accounts of these companies are available to the public and may be obtained from: Registrar of Companies, DX 33050, Cardiff.