

FW LIMITED
(Registered Number 957647)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1998



FW LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

The Directors present their annual report together with the unaudited financial statements for the year ended 31 December 1998.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company has not traded during the year.

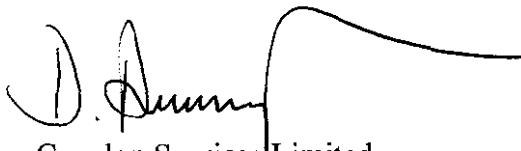
DIRECTORS AND DIRECTORS' INTERESTS

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

Caradon Nominees Limited
Rallip Holdings Limited

The directors as at 31 December 1998 had no beneficial interest in the shares or debentures of the Company, the Company's ultimate parent company or a subsidiary of the Company's ultimate parent company at any time during the year.

By Order of the Board

A handwritten signature in black ink, appearing to be 'D. Dunning', with a long horizontal flourish extending to the right.

Caradon Services Limited
Secretary

8 March 1999

FW LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act 1985 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 as at the end of the financial year and of the profit or loss of the Company for the financial year. In preparing those financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. *make judgements and estimates that are reasonable and prudent;*
3. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
4. 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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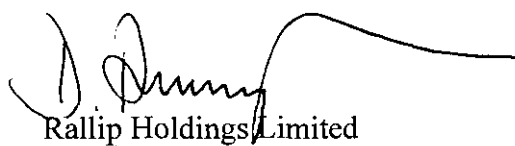
BALANCE SHEET AS AT 31 DECEMBER 1998

	<u>Notes</u>	31 December <u>1998</u> £'000	31 December <u>1997</u> £'000
Debtors (amounts falling due after more than one year)	3	710	710
Creditors (amounts falling due after more than one year)	4	(892)	(892)
Net Liabilities		<u>(182)</u>	<u>(182)</u>
Capital And Reserves			
Called up share capital	5	1,001	1,001
Profit and Loss account		<u>(1,183)</u>	<u>(1,183)</u>
		<u>(182)</u>	<u>(182)</u>

The Company was dormant within the meaning of Section 250 of the Companies Act 1985 throughout the year.

The notes on page 4 form part of these financial statements.

These financial statements were approved by the Board of Directors on 8 March 1999.


Rallip Holdings Limited
DIRECTOR

FW LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statement.

2 COMPANY'S ACTIVITIES

During the year the Company has not traded, has not incurred any liabilities and consequently, has made neither profit nor loss, (year ended 31 December 1997: £Nil).

3 DEBTORS

Debtors represent an amount owed by other Group companies.

4 CREDITORS

Creditors represent an amount owed to other Group companies.

5 SHARE CAPITAL

	<u>31 December 1998</u>	<u>31 December 1997</u>
	£'000	£'000
Authorised		
3,000,000 Ordinary shares of £1 each	<u>3,000</u>	<u>3,000</u>
Allotted		
called up and fully paid		
1,001,100 Ordinary shares of £1 each	<u>1,001</u>	<u>1,001</u>

6 ULTIMATE PARENT UNDERTAKING

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