

LONDON SUPERSTORES LIMITED

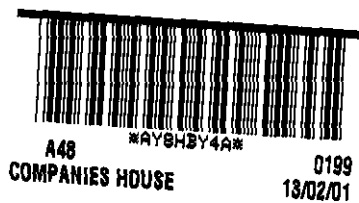
REPORT AND ACCOUNTS

29 APRIL 2000

Registered number: 1358349

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LONDON SUPERSTORES LIMITED
DIRECTORS' REPORT

The directors present their report and the financial statements for the fifty-two weeks ended 29 April 2000.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company throughout the year continued to be that of a holding company.

The directors are satisfied with the results for the year and do not envisage any major change in the conduct of the business over the next twelve months.

The directors consider the company's financial position at the end of the year to have been satisfactory.

DIVIDENDS AND APPROPRIATIONS

The directors do not recommend payment of a dividend.

DIRECTORS

R. N. Marchant, a director of the company, is a director of the ultimate parent company, Tomkins PLC.

The other directors, and their interests in the ordinary shares of Tomkins PLC, are:

	Fully paid shares		Options to purchase shares			
	29 April 2000	1 May 1999	29 April 2000	Granted during year	Exercised during year	1 May 1999
I. W. Ruddick	10,356	10,356	40,080	-	-	47,880
P. N. Wilkinson	29,604	24,234	588,840	-	-	588,840

During the period I. W. Ruddick forfeited options to purchase 7,800 shares.

D. J. Holloway and I. A. Duncan resigned as directors of the company on 31 May 1999 and 12 July 1999 respectively.

No director had any material interest in any contract or arrangement subsisting during the year with the company.

STATUTORY DISPENSATION

The company has in force, under Section 379A of the Companies Act 1985, an election dispensing with the laying of accounts and reports before the company in General Meeting, the holding of Annual General Meetings and the obligation to appoint auditors annually.

Approved by the Board on 24 July 2000
and signed on its behalf by



D. P. BURTON
Secretary

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 loss for the year. In preparing those financial statements, the directors are required to:

- i. select suitable accounting policies and apply them consistently;
- ii. make judgments and estimates that are reasonable and prudent;
- iii. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv. 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 which 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.

AUDITORS' REPORT TO THE MEMBERS OF LONDON SUPERSTORES LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described above, the company's directors are responsible for the preparation of 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.

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 judgments 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 29 April 2000 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ARTHUR ANDERSEN

Chartered Accountants and Registered Auditors

London

24 July 2000

	Notes	Year 2000 £000	14 months 1999 £000
Operating (loss)/profit after management charges	1	(42)	10
Interest (net)	2	(29)	2
(Loss)/profit on ordinary activities before tax		(71)	12
Tax on (loss)/profit on ordinary activities	4	12	(4)
(Loss)/profit on ordinary activities after tax		(59)	8
Retained profits at 1 May 1999		147	139
Retained profits at 29 April 2000		88	147

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses in either period, other than the (loss)/profit on ordinary activities after tax for the period.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The (losses)/profits for 2000 and 1999 respectively are reported under the historical cost convention.

LONDON SUPERSTORES LIMITED
BALANCE SHEET

AS AT 29 APRIL 2000

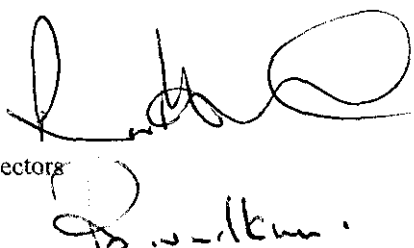
	Notes	2000 £000	1999 £000
FIXED ASSETS			
Investments	5	2,064	2,064
CURRENT ASSETS			
Debtors - amounts falling due within one year	6	20	-
Debtors - amounts falling due after more than one year	6	7,615	7,649
		<u>7,635</u>	<u>7,649</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within one year	7	(56)	(11)
NET CURRENT ASSETS		<u>7,579</u>	<u>7,638</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,643</u>	<u>9,702</u>
Creditors - amounts falling due after more than one year	8	(9,555)	(9,555)
NET ASSETS		<u>88</u>	<u>147</u>
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Profit and loss account		88	147
SHAREHOLDERS' FUNDS - EQUITY	10	<u>88</u>	<u>147</u>

Approved by the Board on 24 July 2000
and signed on its behalf by

R. N. MARCHANT

P. N. WILKINSON

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) Directors
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Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention.

Accounting period

The accounts are for the fifty-two weeks ended 29 April 2000. In 1999 the accounts were for the fourteen months ended 1 May 1999.

Investments

Shares in subsidiaries are stated at cost less provisions for impairment.

Tax

The tax charge is based on the result for the year and takes into account tax deferred due to timing differences between the treatment of certain items for tax and accounting purposes. Deferred tax is calculated under the liability method and it is considered probable that all liabilities will crystallise.

In accordance with the requirements of the ultimate parent undertaking, the company makes or receives payment in respect of group relief and advance corporation tax surrendered at 100% of the value of the relief given.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date, or at composite rates specified in related forward contracts.

Transactions in foreign currencies are translated at the rate ruling at the date of each transaction, or at composite rates at which forward cover exists.

Exchange differences arising out of day to day business transactions are included in operating results.

1 OPERATING (LOSS)/PROFIT

a. Operating (loss)/profit is attributable to the principal activity of the company.

b. Operating expenses / (income)	Year 2000 £000	14 months 1999 £000
Administration expenses / (income)	39	(10)
Other operating expenses	3	-
	<u>42</u>	<u>(10)</u>

The audit fee has been borne by the company's subsidiary undertaking in each of 2000 and 1999. No fees were paid to Arthur Andersen for non-audit services in either period.

2 INTEREST (NET)

	Year 2000 £000	14 months 1999 £000
Interest receivable:		
Bank interest	-	2
Interest on loans to group undertakings	-	155
	<u>-</u>	<u>157</u>
Interest payable:		
Other interest payable	(29)	(155)
	<u>(29)</u>	<u>2</u>

3 DIRECTORS AND EMPLOYEES

No emoluments were paid to any of the directors during either year. No director had a direct or indirect interest in any transaction, arrangement or agreement which, in the opinion of the other directors, requires disclosure.

There were no employees of the company during either period.

4 TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	Year 2000 £000	14 months 1999 £000
UK corporation tax		
Corporation tax on income for the period at 30% (1999 - 31%)	(12)	4

5 FIXED ASSET INVESTMENTS

	Subsidiary undertaking £000
Cost	
At 29 April 2000 and 1 May 1999	<u>2,064</u>

5 FIXED ASSET INVESTMENTS - continued

The subsidiary undertaking is Le Pain Croustillant Limited which is wholly owned and is a bakery, producing speciality partially baked breads and other bakery products.

6	DEBTORS	2000 £000	1999 £000
	Amounts falling due within one year:		
	Tax	8	-
	Prepayments and accrued income	12	-
		<u>20</u>	<u>-</u>
	Amounts falling due after more than one year:		
	Amounts owing by group undertakings	7,615	7,649
		<u>7,635</u>	<u>7,649</u>

The amounts falling due after more than one year owing by/to group undertakings (see note 8) are interest free and have no specified terms of repayment. None of the parties anticipate that any substantial part thereof will be repaid within the next twelve months. However net cash generated will be paid to another group undertaking.

7	CREDITORS - amounts falling due within one year	2000 £000	1999 £000
	Tax	-	4
	Other creditors	46	7
	Accruals and deferred income	10	-
		<u>56</u>	<u>11</u>

8	CREDITORS - amounts falling due after more than one year	2000 £000	1999 £000
	Amounts owing to group undertakings (see note 6)	9,555	9,555

9	SHARE CAPITAL	Number	£
	Authorised		
	Ordinary shares of £1 each		
	At 29 April 2000 and 1 May 1999	100	100
	Redeemable preference shares of £1 each		
	At 29 April 2000 and 1 May 1999	200,000	200,000
	Total authorised share capital at 29 April 2000 and 1 May 1999	<u>200,100</u>	<u>200,100</u>
	Allotted and fully paid		
	Ordinary shares of £1 each		
	At 29 April 2000 and 1 May 1999	100	100
	Cumulative convertible participating preferred ordinary shares of £1 each		

10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2000 £000	1999 £000
	(Loss)/profit on ordinary activities after tax	(59)	8
	Shareholders' funds at 1 May 1999	147	139
	Shareholders' funds at 29 April 2000	88	147

11 GROUP ACCOUNTS

Group accounts have not been prepared since the company is itself a wholly owned subsidiary.

12 RELATED PARTIES

Tomkins PLC is the company's parent undertaking and ultimate parent company.

Tomkins PLC produces group accounts; copies may be obtained from The Secretary, Tomkins PLC, East Putney House, 84 Upper Richmond Road, London SW15 2ST.

As a wholly owned subsidiary undertaking of Tomkins PLC, in accordance with FRS 8 "Related party disclosures", the company is not required to disclose transactions with other members of the group.

13 POST BALANCE SHEET EVENT

On 21 July 2000, the ultimate parent company signed an agreement for the sale of the company to a third party. The transaction is subject to shareholder approval and to obtaining clearance from the European Commission.