



ARTHUR ANDERSEN

Premier Investment Corporation Limited

Accounts 30 June 1999

together with directors' report

Registered number: 2392728



Directors' report

For the year ended 30 June 1999

The directors present their report on the affairs of the company and the unaudited accounts for the year ended 30 June 1999.

Principal activity and business review

The company did not trade during the year or the previous period and made neither a profit nor a loss. The directors do not recommend the payment of a dividend (1998 - £nil).

Directors' and their interests

The directors who held office during the year and changes up to the date of this report were as follows:

E. De Sa	(appointed 2 May 2000)
P.G. Cook	(resigned 31 July 1998)
S. Edmund	(resigned 1 February 2000)
A.L. Walker	
R. Krumholectski	(appointed 1 February 2000, resigned 2 May 2000)

The interests of A.L. Walker in the shares and the long term incentive scheme of AAF Industries plc, the ultimate parent company, are disclosed in that company's accounts.

There are no interests required to be disclosed under Section 234 of the Companies Act 1985.

Year 2000

The company has made an assessment of the impact of the year 2000 on its business. Certain software packages were identified as being non-compliant and have been replaced. All hardware devices which were non-compliant have also been upgraded or replaced. The company has made extensive enquiries of its customers and suppliers concerning the extent of their compliance. No year 2000 issues were experienced at the change over to the year 2000 and no issues relating to year 2000 are expected.

Auditors

The company is dormant and has passed a resolution under Part VII of the Companies Act 1985 not to appoint auditors. The attached accounts are accordingly unaudited.

Catwick Lane
Brandesburton
Driffeld
East Yorkshire
YO25 8RW

By order of the Board,



AAF Consultants Limited
Secretary

9 June 2000

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts 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 enable him to ensure that the accounts 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.

Balance sheet

30 June 1999

	Notes	1999 £	1998 £
Current assets			
Debtors – Amounts owed by group undertakings		339,362	339,362
Net assets		339,362	339,362
Capital and reserves			
Called-up share capital	2	2	2
Profit and loss account		339,360	339,360
Equity shareholders' funds		339,362	339,362

The company was dormant throughout the financial period.

The accounts on pages 3 to 5 were approved by the board of directors on 9 June 2000 and signed on its behalf by:

A.L. Walker



Director

The accompanying notes are an integral part of this balance sheet.

Statement of accounting policies

30 June 1999

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period, is set out below.

Basis of preparation

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

Notes to accounts

30 June 1999

1 Remuneration of directors

The directors did not receive any emoluments during the period for services to the company (1998 - £nil).

2 Called-up share capital

	1999 £	1998 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
<i>Allotted, called-up and fully-paid</i>		
2 ordinary shares of £1 each	2	2

3 Ultimate parent undertaking

The ultimate parent undertaking is AAF Industries plc, which heads the smallest group in which the results of the company are consolidated. The consolidated accounts of this group are available to the public and may be obtained from AAF Industries plc, Catwick Lane, Brandesburton, Driffield, East Yorkshire, YO25 8RW. The largest group in which the results of the company are consolidated is Waco International Limited, a company incorporated in South Africa.

As a subsidiary undertaking of AAF Industries plc, the company has taken advantage of the exemption offered under FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by AAF Industries plc. There are no other related party transactions requiring disclosure.