

Company Registration No. 2397354 (England and Wales)

ZETTER INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002



ZETTER INVESTMENT COMPANY LIMITED

COMPANY INFORMATION

Directors A S Wollenberg (resigned 16 August 2001)
 H Israel
 D Amin

Secretary D Amin

Company number 2397354

Registered office Saffron House, 67-74 Saffron Hill
 London
 EC1P 1ZS

Auditors BDO Stoy Hayward
 8 Baker Street
 London
 W1U 3LL

ZETTER INVESTMENT COMPANY LIMITED

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ZETTER INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 March 2002.

Principal activity and review of the business

The company ceased trading on 30 April 1998.

Results and dividends

The results for the year are set out on page 3. The directors recommend that no dividend be paid in respect of the year under review (2001: £nil).

Future developments

The company intends to remain non-trading for the foreseeable future.

Directors and their interests

The following directors have held office since 1 April 2001:

A Wollenberg (resigned 16 August 2001)

H Israel

D Amin

No Director had any interest in the shares of the company at 1 April 2001 or 31 March 2002. D. Amin has an interest in 1,000 ordinary shares of 5p each in Zetters Group Plc, the ultimate parent company.

The remaining directors' interests in the shares of Zetters Group Plc are shown in the accounts of that company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that BDO Stoy Hayward be re-appointed as auditors of the company will be put to the Annual General Meeting.

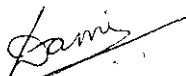
Directors' Responsibilities

Company law requires the directors to prepare accounts 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 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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act. 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.

By order of the board


D. Amin
Secretary
8 July 2002

ZETTER INVESTMENT COMPANY LIMITED

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF ZETTER INVESTMENT COMPANY LIMITED

We have audited the financial statements of Zetter Investment Company Limited for the period ended 31 March 2002 on pages 3 to 6. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 1985. 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 2002 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


BDO Stoy Hayward
Chartered Accountants
Registered Auditors
8 Baker Street
London
W1U 3LL

8 July 2002

ZETTER INVESTMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover		-	-
Administrative expenses		-	-
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		-	-
Dividends	2	-	-
Retained profit / (loss) for the year		-	-

The company ceased trading on 30 April 1998.

There are no recognised gains or losses other than those passing through the profit or loss account.

ZETTER INVESTMENT COMPANY LIMITED

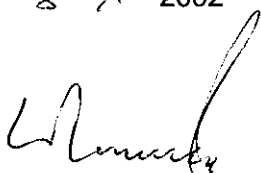
BALANCE SHEET

AS AT 31 MARCH 2002

	Notes	2002 £	2001 £
Current assets			
Debtors	3	16,987	16,986
Cash at bank and in hand		9,445	9,446
		<u>26,432</u>	<u>26,432</u>
Creditors: amounts falling due within one year		-	-
Net assets		<u>26,432</u>	<u>26,432</u>
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account		26,332	26,332
Equity shareholders' funds	5	<u>26,432</u>	<u>26,432</u>

The financial statements were approved by the Board on

8-7-2002



H. Israel
Director

ZETTER INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

No cash flow statement has been included, as a consolidated cashflow statement is included in the accounts of the ultimate parent company.

1.2 Deferred Taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Dividends

	2002 £	2001 £
Ordinary interim paid £nil (2001 - £nil)	-	-
	<u> </u>	<u> </u>

3 Debtors

	2002 £	2001 £
Amounts owed by parent and fellow subsidiary undertakings	16,987	16,986
	<u> </u>	<u> </u>

4 Share capital

	2002 £	2001 £
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100
	<u> </u>	<u> </u>

ZETTER INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2002**

5 Reconciliation of movements on shareholders' funds

	2002	2001
	£	£
Profit for the financial year	-	-
Dividends	-	-
	<hr/>	<hr/>
Net addition to shareholders' funds	-	-
Opening shareholders' funds	26,432	26,432
	<hr/>	<hr/>
Closing shareholders' funds	26,432	26,432
	<hr/>	<hr/>

6 Contingent liabilities

A legal right of set-off is in force covering the bank accounts of the companies in the group.

7 Control

The company's immediate and ultimate parent company is Zetters Group plc, incorporated in England. Copies of the accounts of Zetters Group plc can be obtained from Saffron House, 67-74 Saffron Hill, London, EC1P 1ZS.

8 Related party transactions

Advantage has been taken of the exemption under FRS 8 from disclosing transactions with entities that are part of the group.