

MELITA SHOE IMPORTS LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1999

Registered number 2447747



MELITA SHOE IMPORTS LIMITED

DIRECTOR'S REPORT

The director presents his report and financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS

The company did not trade during the year, and accordingly no profit and loss account is presented. The director does not anticipate that the company will trade during the current year.

BUSINESS REVIEW AND DIVIDENDS

The state of the company's affairs is as shown in the attached financial statements. The director does not recommend the payment of a dividend (1998 - £Nil).

DIRECTOR AND HIS INTERESTS

The following director held office during the year:

AJ de Keyser

The director did not have any interest in the shares of the company during the year. Mr AJ de Keyser is a director of Pentland Group plc and, except as disclosed in the financial statements of that company, he has no interests in the shares of any other group undertaking.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period to that date. In preparing those financial statements the director is required:

to select suitable accounting policies and then apply them consistently;

to make judgements and estimates that are reasonable and prudent;

to state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The director has responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable him to ensure that the financial statements of the company comply with the Companies Act 1985. The director has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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DIRECTOR'S REPORT (CONTINUED)

AUDITORS

The company is not trading. The director has relied on Section 250 of the Companies Act 1985 not to appoint an auditor to the company on the grounds that it is dormant.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'J. D. G. Hyde', with a stylized flourish extending to the right.

JDG Hyde
Secretary
10 March 2000

MELITA SHOE IMPORTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
Current liabilities			
Creditors - amounts falling due within one year	3	(594,929)	(594,929)
		<u>(594,929)</u>	<u>(594,929)</u>
Capital and reserves			
Called up share capital	4	2	2
Profit and loss account		(594,931)	(594,931)
		<u>(594,929)</u>	<u>(594,929)</u>
Total shareholder's funds (all attributable to equity interest)		(594,929)	(594,929)

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

Approved by the Director on 10 March 2000


AJ de Keyser

Director

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

MELITA SHOE IMPORTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1 ACCOUNTING POLICIES

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

Going concern basis The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has indicated its intention to provide continuing financial support to the company.

2 PROFIT AND LOSS ACCOUNT

The company did not trade during the financial year or the preceding financial year, and accordingly, no profit and loss account has been presented.

3 CREDITORS - amounts falling due within one year

	<u>1999</u> £	<u>1998</u> £
Amounts due to fellow subsidiary undertakings	594,929	594,929
	<u>594,929</u>	<u>594,929</u>

4 SHARE CAPITAL

	<u>1999</u> £	<u>1998</u> £
Authorised 1,000 ordinary shares of £1 each	1,000	1,000
Authorised and fully paid 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

5 PARENT UNDERTAKINGS

The intermediate parent undertaking, Pentland Group plc, a company registered in Scotland, has produced accounts for the year ended 31 December 1999 which will be available from Albany House, 58 Albany Street, Edinburgh, EH1 3QR. The ultimate parent undertaking is Robert Stephen Holdings Limited, a company registered in England. Consolidated accounts will be prepared by Robert Stephen Holdings Limited for the year ended 31 December 1999 and these will be obtainable from the company's registered office at 8 Manchester Square, London W1M 5AB.