

Halcyon Electrics Limited

Report and Accounts

31 January 1998



Registration number 2792411

Halcyon Electrics Limited
Report and accounts
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Halcyon Electrics Limited
Directors and Officers

DIRECTORS

A.H. Percival
H.M. Jones

SECRETARY

C.E.R. Thomas

REGISTERED OFFICE

North West House
119 Marylebone Road
London NW1 5PX

AUDITORS

Coopers & Lybrand
1 Embankment Place
London WC2N 6NN

Halcyon Electrics Limited

Directors' Report

The directors present their report and accounts for the year ended 31 January 1998.

Principal activities and review of the business

The Company is and will continue to be an investment company.

Results and dividends

Profit on ordinary activities after taxation was £6,000 (1997:£10,000). The directors do not recommend the payment of a dividend for the financial year (1997:£8,000).

Retained profits for the year of £6,000 (1997:£2,000) will be transferred to reserves.

Elective Resolution

On 7 December 1994 the Company passed an elective resolution whereby it would dispense with the holding of an annual general meeting until the election was revoked. Further elective resolutions were passed at the same time that the Company would dispense with:

- a) the laying of the annual report and financial statements before the Company in general meeting and
- b) the requirement to reappoint annually the auditors of the Company in general meeting

Directors and directors' interests

The directors of the Company who served during the period are :

A.H. Percival
H.M. Jones

None of the directors have any beneficial interest in the shares of the Company. The interests of A.H. Percival in the Company's ultimate parent, Kingfisher plc, is shown in the financial statement of that company.

The other director had the following interest in 25p Ordinary shares of Kingfisher plc:

	As at 1 Feb 1997	As at 31 Jan 1998
H.M. Jones	134	927

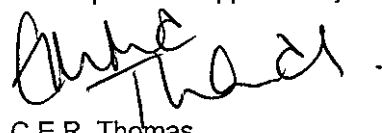
Halcyon Electrics Limited
Directors' Report

Options for 25p Ordinary shares in Kingfisher plc :

	As at 1 Feb 1997	Options Granted	Options Exercised	As at 31 Jan 1998
H.M. Jones	33,443	9,601	(856)	42,188

The market price of Kingfisher shares at 31 January 1998 was 958p and the range during the year was 652.5p to 960p. The options were exercised on 14 August 1997. The market price of shares on this date was 732.5p.

This report was approved by the board on 25 June 1998.



C.E.R. Thomas
Secretary

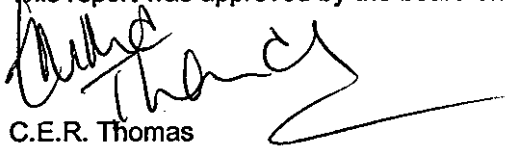
Halcyon Electrics Limited
Statement of Directors' Responsibilities

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 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; 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 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 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.

This report was approved by the board on 25 June 1998.

A handwritten signature in black ink, appearing to read 'C.E.R. Thomas', is written over the printed name and title.

C.E.R. Thomas
Secretary

Halcyon Electrics Limited
Auditors' Report

Report of the auditors
to the shareholders of Halcyon Electrics Limited

We have audited the accounts on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4, the Company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

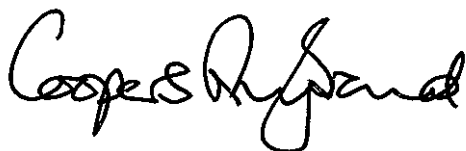
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 31 January 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Coopers & Lybrand', is written in a cursive, flowing style.

Coopers & Lybrand
Chartered Accountants and
Registered Auditors

London

25 June 1998

Halcyon Electrics Limited
Profit and Loss Account
for the year ended 31 January 1998

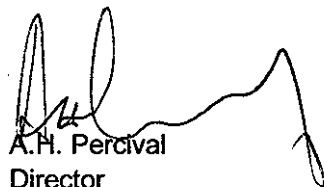
	Notes	1998 £000	1997 £000
Income from investments	4	3	9
Interest receivable		5	4
Profit on ordinary activities before taxation	5	<u>8</u>	<u>13</u>
Taxation on profit on ordinary activities	6	(2)	(3)
Profit on ordinary activities after taxation		<u>6</u>	<u>10</u>
Dividend payable		-	(8)
Retained profit for the year	11	<u>6</u>	<u>2</u>

A statement of total recognised gains and losses and a reconciliation of historical profits and losses are not shown as all gains and losses are recognised in the profit and loss account, and there is no difference between the profit reported and that calculated under the historical cost convention.

There were no discontinued operations in the period.

Halcyon Electrics Limited
Balance Sheet
as at 31 January 1998

	Notes	1998 £000	1997 £000
Fixed assets			
Investments	7	1,089,496	1,089,494
Current assets			
Debtors	8	4,535	4,529
Creditors: amounts falling due within one year	9	<u>(3)</u>	<u>(1)</u>
Net current assets		<u>4,532</u>	<u>4,528</u>
Total assets less current liabilities		1,094,028	1,094,022
		<u>1,094,028</u>	<u>1,094,022</u>
Capital and reserves			
Called up share capital	10	1,094,021	1,094,021
Profit and loss account	11	7	1
Shareholders' funds:			
Equity	12	1,094,028	1,094,022


A.H. Percival
Director

Approved by the board on 25 June 1998

Halcyon Electrics Limited
Notes to the Accounts
at 31 January 1998

1 Accounting policies

Accounting convention

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

The financial statements are made up to the nearest Saturday to 31 January, so as to coincide with its holding company, Kingfisher plc.

Transactions denominated in foreign currencies are translated into sterling at contracted rates, or, where no contract exists, at average monthly rates.

Fixed asset investments are stated at cost except when there is a permanent diminution in their value when they are stated at net realisable value.

The Company is exempt under s229 of the Companies Act 1985 from publishing consolidated financial statements as it is a wholly owned subsidiary of Kingfisher plc, which is registered in England and Wales.

The Company is a wholly owned subsidiary of Kingfisher plc and the cashflows of the Company are shown in the consolidated Group Cashflow Statement of Kingfisher plc.

Consequently the Company is exempt under the terms of Financial Reporting Standard No.1 from publishing a cashflow statement.

2 Employees

The Company had no employees during the financial year ended 31 January 1998 (1997:nil).

3 Directors' remuneration

None of the directors of the Company received any remuneration from the Company or any of its subsidiaries, in respect of the financial year ended 31 January 1998 (1997:nil).

4 Income from investments

	1998	1997
	£000	£000
Proposed dividend from subsidiary undertaking	-	6
Dividend received from listed investment	3	3
	<u>3</u>	<u>9</u>

5 Profit on ordinary activities before tax

Auditors' remuneration is borne by the parent company.

Halcyon Electrics Limited
Notes to the Accounts
at 31 January 1998

6 Tax on profit on ordinary activities	1998	1997
	£000	£000
United Kingdom corporation tax at 31.33% (1997: 33%)	1	1
Tax credits attributable to dividends received	1	2
	<u>2</u>	<u>3</u>

7 Investments

	Investments in subsidiary undertakings	Other investments	Total
	£000	£000	£000
<i>Cost</i>			
At 1 February 1997	1,021,921	67,573	1,089,494
At 31 January 1998	<u>1,021,921</u>	<u>67,575</u>	<u>1,089,496</u>
<i>Other investments</i>		1998	1997
		£000	£000
Listed investments		109	107
Unlisted investments		67,466	67,466
		<u>67,575</u>	<u>67,573</u>
Valuation:			
Listed investments - market value		<u>132</u>	<u>122</u>

The following are the subsidiary undertakings of the Company at 31 January 1998:

	Country of Registration	% owned	Main Activity
Kingfisher Electrical Retailing Ltd	England & Wales	100	Investment
Electric Finance Ltd	England & Wales	100	Investment

8 Debtors: amounts falling due within one year	1998	1997
	£000	£000
Amounts due from group undertakings	<u>4,535</u>	<u>4,529</u>

Halcyon Electrics Limited
Notes to the Accounts
at 31 January 1998

9 Creditors: amounts falling due within one year	1998 £000	1997 £000
Amounts owed to group undertakings	2	-
Corporation tax	1	1
	<u>3</u>	<u>1</u>

10 Share capital	1998 £000	1997 £000
Authorised: 1,500,000,000 ordinary shares of £1 each	<u>1,500,000</u>	<u>1,500,000</u>
Allotted, called up and fully paid: 1,094,021,002 ordinary shares of £1 each	<u>1,094,021</u>	<u>1,094,021</u>

11 Profit and loss account	1998 £000	1997 £000
At 1 February	1	(1)
Retained profit	6	2
At 31 January	<u>7</u>	<u>1</u>

12 Reconciliation of movements in shareholders' funds	1998 £000	1997 £000
At 1 February	1,094,022	1,094,020
Retained profit for the year	6	2
At 31 January	<u>1,094,028</u>	<u>1,094,022</u>

13 Ultimate holding company

The Company's parent company is Kingfisher plc, which is registered in England and Wales. Copies of the annual report and financial statements of Kingfisher plc can be obtained from The Secretary, Kingfisher plc, North West House, 119 Marylebone Road, London NW1 5PX.