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Company Registration No. 3194523 (England and Wales)

SFT HOLDINGS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2001



SFT HOLDINGS LIMITED

COMPANY INFORMATION

Directors	C Leo E P Leo
Secretary	E P Leo
Company number	3194523
Registered office	Westgate Chambers 8a Elm Park Road Pinner Middlesex HA5 3LA
Auditors	Morgan Berkeley Westgate Chambers 8a Elm Park Road, Pinner Middlesex HA5 3LA
Business address	Unit 1, Cockridden Farm Brentwood Road Herongate Brentwood Essex CM13 3LH
Bankers	Barclays Bank Plc. 75 High Street Brentwood Essex CM14 4RP

SFT HOLDINGS LIMITED

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SFT HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2001

The directors present their report and financial statements for the year ended 30 April 2001.

Principal activities

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

Directors

The following directors have held office since 1 May 2000:

C Leo
E P Leo

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 April 2001	1 May 2000
C Leo	350	350
E P Leo	350	350

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, Morgan Berkeley, will be deemed to be reappointed for each succeeding financial year.

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 profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



E P Leo

Director

22nd January 2002

SFT HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SFT HOLDINGS LIMITED

We have audited the financial statements of SFT HOLDINGS LIMITED on pages 3 to 9 for the year ended 30 April 2001. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out herein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Morgan Berkeley

Morgan Berkeley

Chartered Certified Accountants
Registered Auditor

22nd January 2002

Westgate Chambers
8a Elm Park Road, Pinner
Middlesex
HA5 3LA

SFT HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2001

	Notes	2001 £	2000 £
Turnover		145,200	145,200
Administrative expenses		(156,983)	(152,698)
Operating loss	2	(11,783)	(7,498)
Investment income	3	61,587	65,197
Other interest receivable and similar income		3,911	4,689
Interest payable and similar charges		(1,187)	(2,862)
Profit on ordinary activities before taxation		52,528	59,526
Tax on profit on ordinary activities	4	(4,234)	-
Profit on ordinary activities after taxation		48,294	59,526
Dividends		(20,000)	(30,000)
Retained profit for the year	13	28,294	29,526

SFT HOLDINGS LIMITED

BALANCE SHEET AS AT 30 APRIL 2001


	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	5		31,205		29,686
Investments	6		75,600		75,600
			<u>106,805</u>		<u>105,286</u>
Current assets					
Debtors	7	184,063		145,627	
Cash at bank and in hand		75,619		89,217	
		<u>259,682</u>		<u>234,844</u>	
Creditors: amounts falling due within one year	8	(13,204)		(13,589)	
Net current assets			<u>246,478</u>		<u>221,255</u>
Total assets less current liabilities			<u>353,283</u>		<u>326,541</u>
Creditors: amounts falling due after more than one year	9		(9,198)		(14,984)
Provisions for liabilities and charges	10		(4,234)		-
			<u>339,851</u>		<u>311,557</u>
Capital and reserves					
Called up share capital	12		700		700
Profit and loss account	13		339,151		310,857
Shareholders' funds			<u>339,851</u>		<u>311,557</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 22nd January 2002



C Leo
Director



E P Leo
Director

SFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	33% pa on straight line
Fixtures, fittings & equipment	33% pa on straight line
Motor vehicles	25% pa on straight line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating loss

	2001 £	2000 £
Operating loss is stated after charging:		
Depreciation of tangible assets	10,303	14,388
Auditors' remuneration	3,525	3,900
Directors' emoluments	121,666	117,384

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2000 - 2).

3 Investment income

	2001 £	2000 £
Income from shares in group undertakings	60,000	65,000
Income from other fixed asset investments	1,587	197
	<u>61,587</u>	<u>65,197</u>

SFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2001

4	Taxation	2001	2000
		£	£
	U.K. current year taxation		
	Deferred taxation	4,234	-
		<u> </u>	<u> </u>
5	Tangible fixed assets		£
	Cost		
	At 1 May 2000		49,986
	Additions		11,822
	Disposals		(3,157)
	At 30 April 2001		<u>58,651</u>
	Depreciation		
	At 1 May 2000		20,300
	On disposals		(3,157)
	Charge for the year		10,303
	At 30 April 2001		<u>27,446</u>
	Net book value		
	At 30 April 2001		<u>31,205</u>
	At 30 April 2000		<u>29,686</u>

The net book value of tangible fixed assets includes £18,826 (2000 - £26,356) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £7,530 (2000 - £3,765) for the year.

SFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2001

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 May 2000 & at 30 April 2001	75,600
	<u> </u>
	Market value
	£
At 30 April 2001	79,629
	<u> </u>
At 30 April 2000	80,340
	<u> </u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
SFT Limited	England	Ordinary	100
Stockfit Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
SFT Limited	9,120	(2,281)
Stockfit Limited	8,492	(1,275)
	<u> </u>	<u> </u>

SFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2001

7 Debtors	2001	2000
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	184,019	145,627
Other debtors	44	-
	<u>184,063</u>	<u>145,627</u>
8 Creditors: amounts falling due within one year	2001	2000
	£	£
Net obligations under hire purchase contracts	5,787	5,787
Taxation and social security	7,417	7,802
	<u>13,204</u>	<u>13,589</u>
9 Creditors: amounts falling due after more than one year	2001	2000
	£	£
Net obligations under hire purchase contracts	<u>9,198</u>	<u>14,984</u>
10 Provisions for liabilities and charges		Deferred taxation
		£
Profit and loss account		<u>4,234</u>
Deferred taxation provided in the financial statements is as follows:		
	2001	Fully provided 2000
	£	£
Accelerated capital allowances	<u>4,234</u>	<u>-</u>

11 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £30,231 (2000 - £30,230).

SFT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2001

12 Share capital	2001 £	2000 £
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
700 Ordinary shares of £ 1 each	700	700
	<u> </u>	<u> </u>

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2000	310,857
Retained profit for the year	28,294
	<u> </u>
Balance at 30 April 2001	339,151
	<u> </u>

14 Control

Throughout the period, the company was under the control of Mr C Leo and Mrs E P Leo, joint shareholders and directors of the company.

15 Related party transactions

Stockfit Limited (Subsidiary)

Management charges received of £142,800 (2000:£142,800)

Group dividends received of £35,000 (2000:£50,000)

Amount owing by the company is £129,019 (2000:£115,627) and is included under debtors.

SFT Limited (Subsidiary)

Management charges received of £2,400 (2000:£2,400)

Group dividends received of £25,000 (2000:£15,000)

Amount owing by the company is £55,000 (2000:£30,000) and is included under debtors.