

Onebuild Limited
Annual Report
for the 14 month period ended
25 February 2001

Registered Number: 3453732



Onebuild Limited

Annual Report

for the 14 month period ended 25 February 2001

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Onebuild Limited

Directors and Advisors

Directors

D M Mein

M A Cotton

Secretary

S G Swalwell

Auditors

PricewaterhouseCoopers

Benson House

33 Wellington Street

LEEDS

LS1 4JP

Registered Office

No.1 Park Row

LEEDS

LS1 5AB

Registered Number

3453732

Onebuild Limited

Directors' report for the 14 months ended 25 February 2001

The directors present their report and the audited financial statements of the company for the 14 month period ended 25 February 2001.

Principal activities

The principal activity of the Company is to act as a parent company.

Review of the business

On 17 April 2000, the shares of the company were acquired by John Cotton Group Limited. The profit and loss account for the period and the appropriation thereof are set out on page 4. The directors consider the level of business and the period end financial position to be satisfactory and expect the present level of activity to be sustained for the foreseeable future.

Dividends

No final dividend is proposed (1999 dividend: £100,000). An interim ordinary dividend of £122,000 (1999: £nil) was paid during the period.

Directors

The directors who held office during the period are given below:

S H Ward	(appointed 17 April 2000, resigned 19 July 2001)
D M Mein	(appointed 17 April 2000)
M A Cotton	(appointed 17 April 2000)
G Colldahl	(resigned 17 April 2000)
C H Lovell	(resigned 17 April 2000)
P G Jackson	(resigned 17 April 2000)

Directors' interest in shares of the company

No director of the company at 25 February 2001 had an interest in the shares of the company. As permitted by statutory instrument the interests of the directors in the share capital of the ultimate parent company are shown in the financial statements of John Cotton Group Limited.

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 25 February 2001. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

Auditors

Littlejohn Frazer resigned as the Company's auditors during the period following the acquisition of Onebuild Limited by John Cotton Group Limited. PricewaterhouseCoopers were appointed to fill the temporary vacancy. A resolution to reappoint PricewaterhouseCoopers will be proposed at the annual general meeting.

By order of the Board

S G Swalwell
Company Secretary
20 August 2001



Onebuild Limited

Auditors' report to the members of Onebuild Limited

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the annual report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

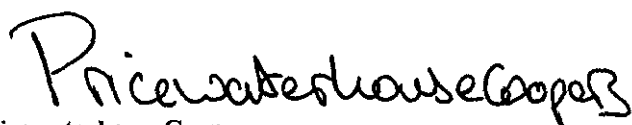
Basis of audit opinion

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 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 affairs of the company at 25 February 2001 and of its loss and cash flow for the fourteen month period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Leeds

22 August 2001

Onebuild Limited

Profit and loss account for the 14 month period ended 25 February 2001

	Note	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Turnover	1	-	102,000
Administration expenses		735	(28,083)
Write down in fixed asset investment		(2,015,259)	-
Operating (loss)/profit		(2,014,524)	73,917
Interest payable	3	-	(7,347)
Dividends receivable		159,720	100,000
(Loss)/profit on ordinary activities before taxation		(1,854,804)	166,570
Tax on (loss)/profit of ordinary activities	5	(93)	(13,766)
(Loss)/profit on ordinary activities after taxation		(1,854,897)	152,804
Dividends payable	6	(122,000)	(100,000)
Retained(loss)/profit for the period	11	(1,976,897)	52,804

The company has no recognised gains or losses other than those included in the results above and no separate statement of total gains and losses has been presented.

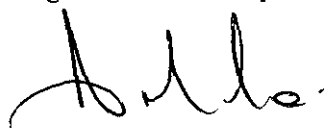
There is no difference between (loss)/profit on ordinary activities before taxation and the retained (loss)/profit for the period stated above and their historical cost equivalents.

Onebuild Limited

Balance sheet as at 25 February 2001

	Note	25 February 2001 £	31 December 1999 £
Fixed assets			
Investments	7	284,741	2,300,000
Current assets			
Debtors	8	38	127,941
Cash at bank and in hand		2,377	4,118
		2,415	132,059
Creditors: amounts falling due within one year	9	(13,804)	(181,802)
Net current liabilities		(11,389)	(49,743)
Net assets		273,352	2,250,257
Capital and reserves			
Called up share capital	10	40	48
Profit and loss account	11	273,312	2,250,209
Total shareholders' funds	12	273,352	2,250,257

The financial statements on pages 4 to 12 were approved by the board of directors on 19 July 2001 and were signed on its behalf by:



D M Mein
Director

Onebuild Limited

Cash flow statement for the 14 month period ended 25 February 2001

	Note	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Operating (loss)/profit		(2,014,524)	73,917
Write down in fixed asset investment		2,015,259	-
Decrease/(increase) in debtors		27,895	(7,920)
Decrease in creditors		(68,036)	(154,341)
Net cash outflow from operating activities		(39,406)	(88,344)
Returns on investment and servicing of finance			
Dividends received		259,720	100,000
Interest paid		-	(7,347)
Net cash inflow from returns on investment and servicing of finance		259,720	92,653
Taxation			
UK corporation tax paid		(55)	(15,026)
Equity dividends paid to shareholders		(222,000)	-
Decrease in cash in period	14	(1,741)	(10,717)

Onebuild Limited

Accounting policies

Basis of accounting

The accounts are prepared under the historical cost basis of accounting and comply with applicable Accounting Standards.

Turnover

Turnover represents amounts receivable from group undertakings in respect of management charges.

Deferred taxation

Deferred taxation is provided at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the Accounts. Provision is made to the extent that it is likely that the liability will crystallise in the foreseeable future.

Investments

Investments in subsidiary undertakings are stated at cost. Provision against the value of investments is made where in the opinion of the directors, there is a permanent diminution in the value of the investment.

Onebuild Limited

Notes to the financial statements for the 14 month period ended 25 February 2001

1 Turnover

The turnover is attributable to the receipt of management charges.

2 Operating (loss)/profit

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Operating (loss)/profit is stated after (crediting)/ charging:		
Discount for early repayment of loan	(2,500)	-
Auditors' remuneration - other fees	1,208	18,602
- audit	-	2,000

Fees paid to PricewaterhouseCoopers for non-audit services in the UK were £nil (1999: £nil)

3 Interest payable

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Other loans	-	7,347

4 Employees

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Staff costs (all director remuneration)		
Wages and salaries	-	12,000
Social security costs	-	936
	-	12,936
Average number of employees during the year	Number	Number
Office management	-	1

Onebuild Limited

Notes to the financial statements for the 14 month period ended 25 February 2001 (continued)

5 Taxation

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Corporation tax at 30% (1999 – 20%)	93	13,766

6 Dividends payable

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Redeemable £1 shares-final proposed	-	100,000
Ordinary £1 shares – interim paid	122,000	-
	122,000	100,000

7 Fixed assets – investments

The company owns the entire issued share capital of Snuggledown of Norway (UK) Limited, being 200,000 of £1 ordinary shares. Snuggledown of Norway (UK) Limited is incorporated in England and Wales and its principal activities are the manufacture and sale of bedding and related products within the UK.

	Interests in subsidiary undertakings £
Cost	
At 1 January 2000	2,300,000
Write down of investments	(2,015,259)
Net book value at 25 February 2001	284,741
Net book value at 31 December 2000	2,300,000

Onebuild Limited

Notes to the financial statements

for the 14 month period ended 25 February 2001 (continued)

8 Debtors

	25 February 2001 £	31 December 1999 £
Due from group undertakings	-	27,524
Prepayments	-	371
Other debtors	38	46
Dividend receivable	-	100,000
	38	127,941

9 Creditors – amounts falling due within one year

	25 February 2001 £	31 December 1999 £
Other creditors	-	50,000
Other taxation and social security	-	4,662
Accruals	-	13,374
Current corporation tax	13,804	13,766
Proposed dividends	-	100,000
	13,804	181,802

10 Called up share capital

	Authorised		Allotted, called up and fully paid	
	25 February 2001 £	31 December 1999 £	25 February 2001 £	31 December 1999 £
Ordinary shares of £1 each				
Redeemable shares of £1	1,000	1,000	-	8
	1,000	1,000	40	48

On 30 March 2000, 8 redeemable shares, on each of which £nil had been paid up, were surrendered to the company on the terms that the shareholder was relieved from all further liability in respect of the shares.

Onebuild Limited

Notes to the financial statements for the 14 month period ended 25 February 2001 (continued)

11 Profit and loss account

	£
At 1 January 2000	2,250,209
Retained loss for period	(1,976,897)
At 25 February 2001	273,312

12 Reconciliation of movements in shareholders' funds

	25 February 2001 £	31 December 1999 £
(Loss)/profit for the financial period	(1,854,897)	152,804
Dividends	(122,000)	(100,000)
	(1,976,897)	52,804
Surrender of redeemable shares	(8)	-
Net movement in shareholders' funds	(1,976,905)	52,804
Opening shareholders' funds	2,250,257	2,197,453
Closing shareholders' funds	273,352	2,250,257

13 Analysis of net funds

	At 1 January 2000 £	Cash flow £	At 25 February 2001 £
Cash in hand, at bank	4,118	(1,741)	2,377

14 Reconciliation of net cash flow to movement in net funds

	14 months ended 25 February 2001 £	Year ended 31 December 1999 £
Decrease in cash in period	(1,741)	(10,717)
Net funds at beginning of period	4,118	14,835
Net funds at end of period	2,377	4,118

Onebuild Limited

Notes to the financial statements for the 14 month period ended 25 February 2001 (continued)

15 Capital commitments

The company had no capital commitments as at 25 February 2001 (1999: none).

16 Related party transactions

As a wholly owned subsidiary, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing related party transactions with other entities included in the consolidated financial statements of John Cotton Group Limited.

17 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is John Cotton Group Limited, which is the smallest and largest group to consolidate these financial statements. Copies of John Cotton Group Limited consolidated financial statements can be obtained from the Company Secretary at PO Box 3, Nunbrook Mills, Mirfield, West Yorkshire, WF14 0EH.