

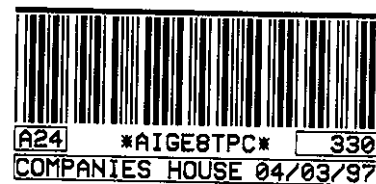


**BRITISH PENS LIMITED**

**Report and Financial Statements**

**31 August 1996**

**Deloitte & Touche  
Colmore Gate  
2 Colmore Row  
Birmingham  
B3 2BN**



**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 August 1996.

**ACTIVITIES**

The company did not trade during the year. An agency agreement exists whereby William Mitchell (Sinkers) Limited trades under the name of British Pens Limited.

**DIRECTORS**

The directors who served during the year were as follows:

B P Head

M T Edwards

M T Edwards had no interest in the shares of the company or any other group company during the year.

The holding of Mr B P Head in the shares of group companies is disclosed in the directors' report of the parent company.

**AUDITORS**

On 1 February 1996 our auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report in their new name. A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

M T Edwards

Director

**STATEMENT OF 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 as at the end of the financial year 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
- state whether applicable accounting standards have been followed
- 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. 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.



## Chartered Accountants

Deloitte & Touche  
Colmore Gate  
2 Colmore Row  
Birmingham B3 2BN

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International + 44 121 200 2211  
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## AUDITORS' REPORT TO THE MEMBERS OF

### BRITISH PENS LIMITED

We have audited the financial statements on page 4 which have been prepared under the accounting policies set out on page 4.

#### Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 August 1996 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and Registered Auditors



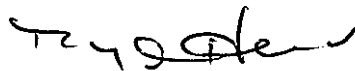
**BALANCE SHEET**  
**31 August 1996**

	1996 £	1995 £
<b>DEBTORS</b>		
Amounts owed by group companies	<u>100</u>	<u>100</u>
<b>CAPITAL</b>		
Called up equity share capital		
Authorised, allotted and fully paid shares of £1 each	<u>100</u>	<u>100</u>

The financial statements were approved by the Board of Directors on *21 February 1997*

Signed on behalf of the Board of Directors

B P Head  
 Director



**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICY**

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

**2. TRADING**

The company did not trade during the year. Accordingly no profit and loss account, statement of total recognised gains and losses, or reconciliation of movements in shareholders' funds, have been prepared.

**3. ULTIMATE PARENT COMPANY**

The ultimate parent company is Rical Limited, a company registered in England and Wales. A copy of the financial statements of Rical Limited can be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.