

JOHN FOLKES TOOLS LIMITED

STATEMENT OF ACCOUNTS

31 DECEMBER 1996

Company Number: 861843



JOHN FOLKES TOOLS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1996

The Directors present their report and the audited balance sheet of the company for the year ended 31 December 1996.

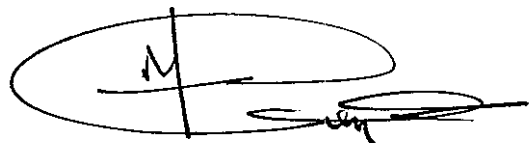
The company has not traded during the financial year ended 31st December 1996.

The Directors do not propose the payment of a dividend.

The Directors who have served throughout the year and their respective beneficial interests with their families in the shares of FOLKES GROUP PLC according to the register kept by the company and also so far as the company has been able to ascertain, are shown in Appendix One on page 2.

In accordance with the provisions of Section 250 of the Companies Act 1985, the company being a dormant company within the meaning of the said Section, Section 384 of the Companies 1985 shall not apply and accordingly no auditors shall be appointed.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'F. Coyle', is written over a large, hand-drawn oval. The signature is stylized and cursive.

24 April 1997

**F. COYLE
SECRETARY**

JOHN FOLKES TOOLS LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of affairs of the company and of the profit or loss of the company for that year.

In preparing those accounts, the Directors are required to:

- a) select suitable accounting policies and then apply them consistently.
- b) make judgements and estimates that are reasonable and prudent.
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- d) 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.

JOHN FOLKES TOOLS LIMITED

BALANCE SHEET AT 31 DECEMBER 1996

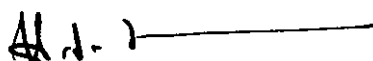
	Notes	1996 £	1995 £
DEBTORS			
Amount due from group companies	3	<u>0</u>	<u>10,174</u>
CAPITAL AND RESERVES			
Share Capital			
Authorised, called up and fully paid Ordinary shares of £1 each		28,199	28,199
Revenue deficiency		<u>(28,199)</u>	<u>(18,025)</u>
		<u>0</u>	<u>10,174</u>

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

These accounts were approved on 24 April 1997.

ON BEHALF OF THE BOARD

H.J. FOLKES
DIRECTOR



NOTES ON THE ACCOUNTS

1. Accounting policies

The following accounting policies have been adopted by the Company in preparation of the accounts. :

The accounts have been prepared under the historical cost convention and are in accordance with applicable Accounting Standards.

2. Ultimate parent undertaking

The ultimate holding company is FOLKES GROUP PLC, a company incorporated in England.

3. The movement in the amount due to group companies is due to the waiver of the loan to the holding company.

JOHN FOLKES TOOLS LIMITED

APPENDIX ONE

31 DECEMBER 1996

The directors who have served throughout the year and their respective beneficial interests with their families in the shares of FOLKES GROUP PLC according to the register kept by the company, and also so far as the company has been able to ascertain, were as follows:

Shares in FOLKES GROUP PLC

	31 December 1996		1st January 1996 (or date of appointment)	
	Ordinary	Non-voting Ordinary	Ordinary	Non-Voting Ordinary
C.J. Folkes	A Director of FOLKES GROUP PLC			
F. Coyle	A Director of FOLKES GROUP PLC			
H.J. Folkes	A Director of FOLKES GROUP PLC			

The interest of the Directors who are also Directors of FOLKES GROUP PLC are shown in the accounts of that company.