

J & F POOL (HOLDINGS) LIMITED

COMPANY NUMBER 569474

A WHOLLY OWNED SUBSIDIARY OF

ASH & LACY plc

FINANCIAL STATEMENTS

11 MONTHS ENDED 29 DECEMBER 1995



J & F POOL (HOLDINGS) LIMITED
A WHOLLY OWNED SUBSIDIARY OF ASH & LACY plc

REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 29 DECEMBER 1995

The Directors present their report together with Financial Statements for the 11 months ended 29 December 1995.

CHANGE OF OWNERSHIP

The company's ultimate parent undertaking, CI Group plc, was acquired by Ash & Lacy plc on 21 July 1995. The year end accounting date was changed to 29 December 1995 in line with Ash & Lacy plc.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of an intermediate holding company.

DIRECTORS

The directors of the company during the 11 months were:

H C Marshall	(appointed 25 July 1995) Chairman
C J Burr	(appointed 25 July 1995)
R W F Yates	(resigned 25 July 1995)
A G McGreal	(resigned 25 July 1995)

Messrs Marshall and Burr are directors of Ash & Lacy plc and their interest in the shares of that company is shown in its accounts.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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 for that period. In preparing the 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;
- state whether applicable accounting standards have been followed

The directors are responsible for maintaining adequate accounting records so as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The company has maintained insurance against certain liabilities which would arise from a negligent act or breach of duty by its directors or officers in the discharge of their duties.

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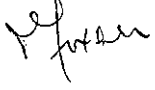
REPORT OF THE DIRECTORS (continued)
FOR THE 11 MONTHS ENDED 29 DECEMBER 1995

AUDITORS

With effect from 18 September 1995 the company's former auditors, Ernst & Young, resigned and Price Waterhouse were appointed by the directors to fill the casual vacancy. Ernst & Young confirmed, for the purposes of Section 394 of the Companies Act 1985, that there were no circumstances connected with their resignation which they considered should be brought to the attention of members or creditors of the company.

A resolution in respect of which special notice has been given to the company in accordance with the provisions of Section 388 (3) (b) of the Companies Act 1985 will be proposed at the Annual General Meeting to re-appoint Price Waterhouse as auditors and to authorise the directors to fix their remuneration.

By order of the Board


R Foxall
Secretary

28 March 1996

J & F POOL (HOLDINGS) LIMITED
A WHOLLY OWNED SUBSIDIARY OF ASH & LACY plc

REPORT OF THE AUDITORS

to the members of J & F Pool (Holdings) Limited

We have audited the accounts on pages 5 to 7, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As set out on page 2, 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.

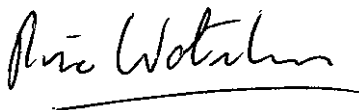
Basis of opinion

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 affairs of the company as at 29 December 1995 and of the result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Price Waterhouse
Chartered Accountants and Registered Auditors
Cornwall Court
19 Cornwall Street
Birmingham B3 2DT

28 March 1996

J & F POOL (HOLDINGS) LIMITED
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PROFIT AND LOSS ACCOUNT

For the 11 months ended 29 December 1995

	11 months ended 29.12.95 £	12 months ended 31.1.95 £
	Notes	
Dividend income	-	<u>205,000</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	-	205,000
Dividends paid	-	(90,000)
Dividends payable	<u>-</u>	<u>(115,000)</u>
TRANSFER TO RESERVES	<u>-</u>	<u>-</u>

All recognised gains and losses are included in the profit and loss account and arose from continuing activities.

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BALANCE SHEET
at 29 December 1995

		29.12.95 £	31.01.95 £
	Notes		
FIXED ASSETS			
Investments	2	<u>1,094,290</u>	<u>1,094,290</u>
DEBTORS DUE AFTER MORE THAN ONE YEAR			
Amounts due to intermediate parent company		64,581	64,581
DEBTORS DUE WITHIN ONE YEAR			
Dividend receivable		-	115,000
CREDITORS DUE WITHIN ONE YEAR			
Proposed dividend		-	(115,000)
Amounts due to subsidiary undertakings		<u>(2,000)</u>	<u>(2,000)</u>
NET CURRENT ASSETS		<u>62,581</u>	<u>62,581</u>
		<u>1,156,871</u>	<u>1,156,871</u>
CAPITAL AND RESERVES			
Called up share capital	3	774,000	774,000
Revaluation reserve		382,871	382,871
Profit and loss account		<u>-</u>	<u>-</u>
EQUITY SHAREHOLDERS' FUNDS		<u>1,156,871</u>	<u>1,156,871</u>

Approved by the Board on 28 March 1996


H C Marshall
Director


C J Burr
Director

J & F POOL (HOLDINGS) LIMITED
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NOTES ON FINANCIAL STATEMENTS
For the 11 months ended 29 December 1995

1 ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared in accordance with applicable accounting standards and under the historical cost convention as modified by the revaluation of fixed asset investments..

The company is exempt under section 228 of The Companies Act 1985 from preparing group accounts as a consequence of its inclusion in the group accounts of its ultimate parent undertaking, Ash & Lacy plc (see note 6). These accounts therefore present information about the individual company rather than the J&F Pool (Holdings) Limited group as a whole.

2 INVESTMENTS

The company owns the whole of all classes of issued share capital and voting rights of three subsidiary undertakings, which are registered and operate in England and Wales.

	<u>Business activities</u>
J & F Pool Limited	Material perforating
J & F Pool (Engineers) Limited	Non trading
Expandel Limited	Non trading

The investments are stated at the directors' valuation. The original cost of the investments was £711,419.

The company has waived its rights to receive any dividend for the period ended 29 December 1995 from its holding of 3000 £1 cumulative preference shares in J & F Pool Limited.

3	CALLED UP SHARE CAPITAL	29.12.95	31.01.95
	Authorised	£	£
	4,000,000 ordinary shares of 25p each	<u>1,000,000</u>	<u>1,000,000</u>
	Allotted and full paid		
	3,096,000 ordinary shares of 25p each	<u>774,000</u>	<u>774,000</u>

4 DIRECTORS AND EMPLOYEES

The only employees of the company were the directors and the secretary, to whom no remuneration was paid (year to 31.01.95 - £nil).

5 CASH FLOW STATEMENT

In view of the exemptions available under FRS1, no cash flow statement has been prepared because the company is a wholly owned subsidiary of Ash & Lacy plc which has included a consolidated cash flow statement in its accounts for the year ended 29 December 1995.

6 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this Company is Ash & Lacy plc which is registered in England and Wales. Copies of the group accounts can be obtained from the Company Secretary, Ash & Lacy plc, Alma Street, Smethwick, Warley, West Midlands B66 2RP.