

SIMMONS MAGEE PLC

Directors' Report and Accounts

for the seven month period ended 30 June 2000

Registered number: 1491475



Report of the Directors

For the period ended 30 June 2000

The directors have pleasure in submitting their report and accounts for the seven month period ended 30 June 2000.

Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts 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 those accounts, 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, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Principal Activity and Business Review

During the period the Company did not trade and the directors do not envisage that the Company will trade in the foreseeable future.

On 16 June 1999, the Company changed its accounting reference date from 30 November to 30 June, commencing with the period ended 30 June 2000.

Dividends

The directors do not recommend the payment of a dividend for the period ended 30 June 2000 (year ended 30 November 1999: £nil).

Directors

The directors of the Company who served during the period were:

N Davis
A J Lee

The directors did not have any disclosable interest in the shares of the Company.

N Davis and A Lee are directors of the Company's ultimate parent undertaking, Compel Group PLC, and their interests therein are shown in the annual report of that Company.

Payments to Suppliers

The Company agrees payment terms with its suppliers when it enters into binding purchase contracts. The company seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The Company does not have a standard or code which deals specifically with the payment of suppliers.

No trade creditors were outstanding at 30 June 2000 and as such no average creditor payment period has been calculated.

Auditors

In accordance with Section 384 of the Companies Act, 1988 a resolution to re-appoint KPMG Audit Plc as auditors to the Company will be proposed at the next Annual General Meeting.

By order of the Board



A J Lee
Secretary
30 January 2001

Registered office
Millennium Place
2 Swiftfields
Welwyn Garden City
Herts AL7 1HP

Report of the Auditors

To the members of Simmons Magee Plc

We have audited the accounts on pages 3 to 5.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report, including as described on page 1, the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, 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.

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 30 June 2000 and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

30 January 2001

KPMG Audit Plc
Chartered Accountants
Registered Auditor
Aquis Court
31 Fishpool Street
St Albans
Herts AL3 4RF

30 January 2001

Balance Sheet

At 30 June 2000

		30 June 2000	30 November 1999
	Notes	£'000	£'000
Current assets			
Debtors	4	53	53
Net assets		<hr/> 53	<hr/> 53
Capital and reserves			
Called up share capital	5	53	53
Equity shareholder's funds		<hr/> 53	<hr/> 53

The accounts on pages 3 to 5 were approved by the Board of Directors on 30 January 2001 and were signed on its behalf by:



N Davis
Director

Notes to the Accounts

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's accounts.

Basis of preparation

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

2 Profit and loss account

The Company has not entered into any transactions during the period or the preceeding year which have resulted in any income being received or expenditure incurred. Consequently, the Company has made neither a profit or a loss during these periods. The audit fee in respect of the period ended 30 June 2000 and the year ended 30 November 1999 was met by Compel IP Limited, the Company's immediate parent undertaking.

3 Director's emoluments

The Company had no employees other than its directors during the period or the year ended 30 November 1999. No director received or was entitled to receive any emoluments from the Company or were accruing pension benefits from the Company in respect of their services to the Company for the period ended 30 June 2000 (year ended 30 November 1999: £nil).

4 Debtors

	30 June 2000 £'000	30 November 1999 £'000
Amounts due from group undertakings	53	53

5 Share capital

	30 June 2000 £'000	30 November 1999 £'000
Authorised Equity: 52,966 ordinary shares of £1 each	53	53
Allotted, called up and full paid Equity: 52,966 ordinary shares of £1 each	53	53

6 Related party transactions

The directors do not consider that the Company entered into any other transactions with related parties during the period ended 30 June 2000, (or any transactions during the year ended 30 November 1999) which require disclosure in accordance with Financial Reporting Standard 8 "Related Party Transactions".

Notes to the Accounts

7 Ultimate parent undertaking

The ultimate parent company of Simmons Magee PLC and the largest group in which the results of the Company are consolidated is that headed by Compel Group PLC, a company registered in England and Wales. The directors considered Compel Group PLC to be the ultimate controlling party at 30 June 2000. The consolidated accounts of Compel Group PLC are available to the public and may be obtained from the registered office:

Millennium Place
2 Swiftfields
Wewlyn Garden City
Herts
AL7 1HP

The smallest group in which the results of the Company are consolidated is that headed by Compel IP Limited, a company registered in England and Wales.