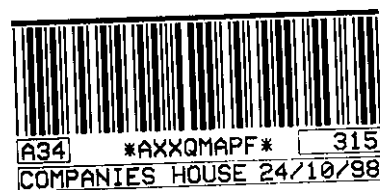


BET DEVELOPMENTS LIMITED
DIRECTORS REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1997
REGISTERED NO: 2416367



BET DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS

The directors submit their annual report, together with the audited accounts of the company for the year ended 31 December 1997.

PROFIT AND LOSS ACCOUNT

The profit for the year, after taxation amounted to £935,000 (nine months ended 31 December 1996 to £747,000). The directors do not recommend the payment of a dividend for 1997 (nine months ended 31 December 1996 £Nil).

BUSINESS AND FINANCIAL REVIEW

The company's principal activity is that of an intermediate company for certain group companies. The directors do not envisage any change in the activity of the company during the next financial year.

DIRECTORS

The directors who served during the year were as follows:-

Plant Nominees Limited
Grayston Central Services Limited

Neither of the directors held any beneficial interests in the share capital of the company or of Rentokil Initial plc at either 1 January 1997 or 31 December 1997.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the company 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;
- follow applicable accounting standards;
- prepare the financial statements on a going concern basis.

BET DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Waterhouse have indicated their willingness to continue as auditors to the company.

By order of the board



Authorised Representative
Plant Nominees Ltd.

Plant Nominees Limited
Secretary
Garland Road
East Grinstead
West Sussex RH19 2DR

15 May 1998

BET DEVELOPMENTS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Auditors Report to the Members of BET Developments Ltd *per*

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on pages 1 and 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 the examination, on a test basis, of evidence relevant to the amounts and disclosures 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 at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse
Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

15 May 1998

BET DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1997

	Notes	Year Ended 31 December 1997	Nine Months Ended 31 December 1996
		£000	£000
Interest receivable - group companies		<u>1,365</u>	<u>1,122</u>
Profit on ordinary activities before taxation		1,365	1,122
Taxation	3	<u>(430)</u>	<u>(375)</u>
Profit on ordinary activities after taxation		<u>935</u>	<u>747</u>
Retained profit for the year/period		935	747
Profit and loss account brought forward		<u>4,280</u>	<u>3,533</u>
Profit and loss account carried forward		<u>5,215</u>	<u>4,280</u>

All of the company's trading results are in respect of continuing activities.

There are no recognised gains or losses other than those recorded in the profit and loss account above and, therefore, no separate statement of total recognised gains and losses has been presented.

The notes on pages 6 to 9 form part of these financial statements.

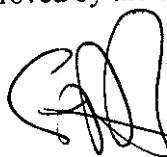
BET DEVELOPMENTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1997

	Notes	31 December 1997 £000	31 December 1996 £000
Fixed assets			
Investment	4	<u>75</u>	<u>75</u>
Current assets			
Debtors	5	26303	25,466
Creditors: (Amounts falling due within one year)	6	(1317)	(1,415)
		<u>24,986</u>	<u>24,051</u>
Net current assets			
		<u>25,061</u>	<u>24,126</u>
Total assets less current liabilities			
Capital and reserves			
Called up share capital	7	15,001	15,001
Share premium account		4,845	4,845
Profit and loss account	8 (i)	5,215	4,280
		<u>25,061</u>	<u>24,126</u>
Equity shareholders' funds	8(ii)		

The notes on pages 6 to 9 form part of the accounts.

Approved by the board on 15 May 1998.



Authorised Representative
Grayston Central Services Ltd.

Grayston Central Services Limited
Director

BET DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1997

1. ACCOUNTING POLICIES

Basis of Preparation

The company prepares its accounts on the basis of historical cost. The company accounts have been prepared in accordance with the Companies Act 1985, as amended by the Companies Act 1989 and applicable accounting standards.

In accordance with paragraph 8c of FRS1, the company, being the wholly owned subsidiary of another company which prepares publicly available group accounts, has not prepared a cash flow statement itself.

Consolidated Accounts

The company is exempt from the requirement to prepare group accounts, as it is a wholly owned subsidiary of Rentokil Initial plc and, as such, these accounts present financial information about the company as an individual undertaking.

Investments

Investments are carried at cost, less provision for permanent diminution in value, and in the opinion of the directors the value of such investments is not less than that shown in the balance sheet.

2. EMPLOYEE COSTS

The company had no employees during the period and accordingly there are no employee costs.

3. TAXATION

	Year ended 31 December 1997 £000	Nine Months ended 31 December 1996 £000
Tax on profit for the year comprises:		
UK corporation taxation at 31.5%* (1996:33%)	<u>430</u>	<u>375</u>

*On 1 April 1997 the corporation tax rate was reduced to 31%. This results in an average tax rate of 31.5% for the year.

BET DEVELOPMENTS LIMITED**NOTES TO THE ACCOUNTS - 31 DECEMBER 1997 (CONTINUED)****4. INVESTMENT**

	31 December 1997 £000	31 December 1996 £000
Shares in subsidiary undertakings Cost and net book value	<u>75</u>	<u>75</u>

The investment is in respect of 75% of the issued ordinary share capital of BET Catering Services Limited.

5. DEBTORS

	31 December 1997 £000	31 December 1996 £000
Amounts owed by group companies	<u>26,303</u>	<u>25,466</u>

6. CREDITORS

	31 December 1997 £000	31 December 1996 £000
Amounts owed to group companies	884	1,040
Corporation tax	<u>433</u>	<u>375</u>
	<u>1317</u>	<u>1,415</u>

BET DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1997 (CONTINUED)

7. CALLED UP SHARE CAPITAL

	31 December 1997 £000	31 December 1996 £000
Authorised :		
500,000,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid :		
15,001,100 Ordinary shares of £1 each	<u>15,001</u>	<u>15,001</u>

8. (i) PROFIT AND LOSS ACCOUNT

At 1 January	4,280
Profit for the financial year	<u>935</u>
At 31 December	<u>5,215</u>

8. (ii) RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 1997 £000	31 December 1996 £000
Profit for the financial year/period	<u>935</u>	<u>747</u>
Addition to shareholders' funds	935	747
Opening shareholders' funds	<u>24,126</u>	<u>23,379</u>
Closing shareholders' funds	<u>25,061</u>	<u>24,126</u>

BET DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1997 (CONTINUED)

9. ULTIMATE PARENT COMPANY

The company's immediate parent company is BET UK plc.

The ultimate parent company is Rentokil Initial plc which forms the only group into which the financial statements of the company are consolidated. The consolidated financial statements of Rentokil Initial plc are available from Felcourt, East Grinstead, West Sussex RH19 2JY.

10. RELATED PARTY TRANSACTIONS

Rentokil Initial plc is also the company's ultimate controlling company. The company has not undertaken any transactions with related parties during the period, other than transactions with fellow members of the Rentokil Initial plc group. Such transactions are exempt from disclosure under FRS8.