

**The Independent Facility Management Company  
Limited**

**Directors' report and financial  
statements**

Registered number 2555477

For the year ended 31 December 2002



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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### Principal activity and business review

The business did not trade during the year.

The directors do not anticipate that the company will trade during 2003.

### Directors and directors' interests

The directors who served during the year were:

P Ackerman  
 G Bryden (resigned 30 October 2002)  
 TD Kenny (appointed 30 October 2002)

The directors who held office at the end of the financial year and their families, had the following interests in, and options to subscribe for, ordinary shares of 50p each in Carillion plc:

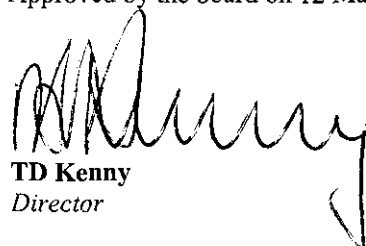
Number of shares	At 31 December 2002		At 1 January 2002 (or later date of appointment)		Share option movements in year		
	Shares	Share options	Shares	Share options	granted	Exercised	lapsed
P Ackerman	6,477	6,523	6,304	4,702	1,821	-	-
TD Kenny	20,000	123,801	-	-	123,801	-	-

At 31 December 2002 neither director had any beneficial interest in the share or loan capital of any subsidiary of Carillion plc.

### Auditor

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming annual general meeting.

Approved by the board on 12 March 2003 and signed on its behalf by:

  
 TD Kenny  
 Director

Birch Street  
 Wolverhampton  
 WV1 4HY

## 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 and of the profit or loss 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, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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 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.



KPMG Audit Plc

2 Cornwall Street  
Birmingham  
B3 2DL

## **Independent auditors' report to the members of The Independent Facility Management Company Limited**

We have audited the financial statements on pages 4 to 6.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements 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 financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, 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 audit 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 December 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

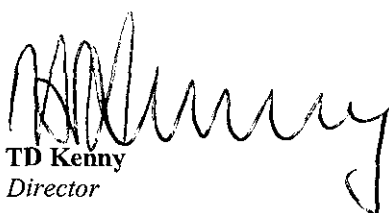
**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

12 March 2003

**Balance sheet**  
*at 31 December 2002*

	<i>Note</i>	<b>2002</b> £	2001 £
<b>Creditors: amounts falling due within one year</b>	<b>4</b>	<b>(516,545)</b>	(516,545)
<b>Net liabilities</b>		<b>(516,545)</b>	(516,545)
<b>Capital and reserves</b>			
Called up share capital	5	100	100
Profit and loss account	6	(516,645)	(516,645)
<b>Equity shareholders' funds</b>	<b>6</b>	<b>(516,545)</b>	(516,545)

These financial statements were approved by the board of directors on 12 March 2003 and were signed on its behalf by:

  
**TD Kenny**  
 Director

## Notes

(forming part of the financial statements)

### 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 financial statements.

#### *Basis of accounting*

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

#### *Basis of preparation*

The financial statements have been prepared on a going concern basis. The going concern basis assumes that the company will continue in existence, since Carillion plc has indicated that it will provide or procure such funds as are necessary to enable the company to pay its debts as they fall due. Therefore, the directors consider it appropriate to prepare the financial statements on a going concern basis.

#### *Group financial statements*

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements and deliver them to the Registrar of Companies. The financial statements therefore present information about the undertaking as an individual undertaking and not about its group. The company is included within the consolidated financial statements of Carillion plc, the company's parent undertaking which is incorporated in Great Britain.

#### *Investments*

Fixed asset investments are stated at cost less provision for any permanent diminution in the carrying value of the investment.

### 2 Profit and loss account, directors and employees

The company has not traded in the current or previous year and consequently no profit and loss account has been prepared.

The directors, being the only employees of the company, neither received nor waived emoluments during either the current or previous year.

### 3 Investments held as fixed assets

	Shares in subsidiary undertakings £
<i>Cost</i>	
At beginning and end of year	100
	<hr/>
<i>Provisions</i>	
At beginning and end of year	100
	<hr/>
<i>Net book value</i>	
At 31 December 2002 and 2001	-
	<hr/>

The investment consists of the entire share capital of 100 ordinary shares of £1 each in Matrix Design Limited.

## Notes (continued)

### 4 Creditors: amounts falling due within one year

	2002 £	2001 £
Trade creditors	100	100
Amounts owed to parent and fellow subsidiary undertakings	516,445	516,445
	<u>516,545</u>	<u>516,545</u>

### 5 Share capital

	2002 £	2001 £
<i>Authorised:</i>		
Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 6 Reconciliation of movements in equity shareholders' funds

	Share capital £	Profit and loss account £	Total 2002 £	Total 2001 £
At beginning and end of year	100	(516,645)	(516,545)	(516,545)
	<u>100</u>	<u>(516,645)</u>	<u>(516,545)</u>	<u>(516,545)</u>

### 7 Related party transactions

As a wholly owned subsidiary of Carillion plc the company has taken advantage of the exemption under Financial Reporting Standard 8 not to provide information on related party transactions with other undertakings within the Carillion plc group. Note 8 gives details of how to obtain a copy of the published financial statements of Carillion plc.

### 8 Controlling and parent companies

The company's immediate and ultimate controlling company is Carillion plc which is incorporated in Great Britain and registered in England and Wales.

Copies of the group financial statements of Carillion plc are available from 24 Birch Street, Wolverhampton, WV1 4HY.