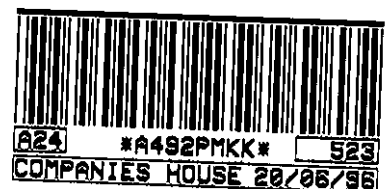


# **Inspectorate (US) Limited**

## **Report and financial statements**

**For the year ended 31 December 1995**

Registered number 2759612



# Inspectorate (US) Limited

## Directors' report and financial statements

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# Inspectorate (US) Limited

## Directors' report

The directors present their report and the financial statements for the year ended 31 December 1995.

### Principal activities

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

### Results and dividends

The profit for the year after taxation amounted to £820,000 (1994:£391,000). The directors recommend a dividend of £820,000 (1994:£391,000).

### Directors

The directors who held office during the period were as follows:

WJ Luesley  
R Mort

None of the directors who held office at the end of the financial period had any disclosable interest in the shares of the company. The interests of those directors who are also directors of Inspectorate PLC (the company's ultimate holding company) are disclosed in the financial statements of that company.

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



**DJ Lappage**  
*Secretary*

*Registered Office*  
2 Perry Road  
Witham  
Essex  
CM8 3TU

# Inspectorate (US) Limited

## 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 result for that year. 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;
- 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 maintaining 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.



6 Lower Brook Street  
Ipswich  
IP4 1AP

## Auditors' report to the members of Inspectorate (US) Limited

We have audited the financial statements on pages 4 to 7.

### *Respective responsibilities of directors and auditors*

As described on page 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 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 1995 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KMC

Chartered Accountants  
Registered Auditors

Lp June 1996

# Inspectorate (US) Limited

## Profit and loss account

for the year ended 31 December 1995

	<i>Note</i>	<b>1995</b> £	1994 £
Income from shares in group undertakings		<b>1,285,000</b>	613,000
Profit on ordinary activities before taxation		<b>1,285,000</b>	613,000
Tax on profit on ordinary activities	6	<b>(465,000)</b>	(222,000)
Profit on ordinary activities after taxation		<b>820,000</b>	391,000
Dividends proposed		<b>(820,000)</b>	(391,000)
Retained profit for the financial year		<b>-</b>	-

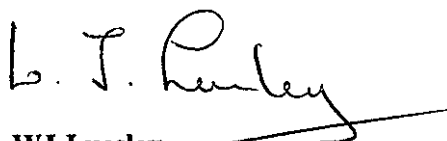
Except for the result for the financial year, shown above, there were no other recognised gains or losses attributable to shareholders.

# Inspectorate (US) Limited

## Balance sheet at 31 December 1995

	<i>Note</i>	1995 £	1994 £
<b>Fixed assets</b>			
Investments	2	98	98
<b>Current assets</b>			
Debtors	3	861,002	411,002
Creditors: amounts falling due within one year	4	<u>(861,000)</u>	<u>(411,000)</u>
<b>Net current assets</b>		<u>2</u>	<u>2</u>
<b>Total assets less current liabilities</b>		<u>100</u>	<u>100</u>
<b>Capital and reserves</b>			
Called up share capital	5	<u>100</u>	<u>100</u>

These financial statements were approved by the board of directors on 4th June 1996 and were signed on its behalf by:

  
WJ Luesley  
Director

# Inspectorate (US) Limited

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### *Basis of preparation*

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

No group accounts have been prepared as the company is a wholly owned subsidiary of Inspectorate PLC, a company incorporated in the United Kingdom, and accordingly is exempt by virtue of Section 228 of the Companies Act 1985 from preparing group accounts.

#### *Investments*

Investments are valued at cost, except where the directors consider that there has been a permanent diminution in value. Provision is made against the cost of the investments to reduce its value accordingly.

### 2 Investments in subsidiary undertakings

The company's holdings in subsidiary undertakings at 31 December 1995 were as follows:

Principal company of operation	Place of incorporation or registration	Equity interest	Nature of business
Inspectorate America Holding Inc.	USA	100%	Holding Company

### 3 Debtors

	1995 £	1994 £
<b>Amounts falling due within one year</b>		
Amounts owed by subsidiary undertaking	861,000	411,000
	<hr/>	<hr/>
	861,000	411,000
<b>Amounts falling due after one year</b>		
Amounts owed by ultimate holding company	2	2
	<hr/>	<hr/>
	861,002	411,002
	<hr/>	<hr/>



# Inspectorate (US) Limited

## Notes *(continued)*

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

	1995 £	1994 £
Dividend proposed	820,000	391,000
Withholding tax	41,000	20,000
	<u>861,000</u>	<u>411,000</u>

### 5 Share capital

	1995	1994
<i>Authorised:</i>	100	100
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called-up and fully paid:</i>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 6 Taxation

	1995 £	1994 £
UK corporation tax at 33% on profit for the year on ordinary activities (1994: 33%)	424,000	202,000
Withholding tax	41,000	20,000
	<u>465,000</u>	<u>222,000</u>

### 7 Contingent liability

The company has guaranteed the bank overdrafts of certain group undertakings which at 31 December 1995 amounted to £3,731,000 (1994: £3,950,000).

### 8 Ultimate holding company

The company is a subsidiary undertaking of Inspectorate PLC a company registered in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by Inspectorate PLC. The consolidated accounts of this group are available to the public and may be obtained from 2 Perry Road, Witham, Essex.