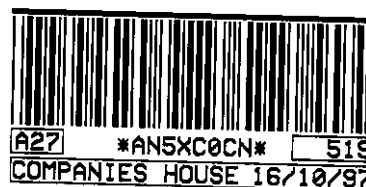


**I.M. HOLDINGS LIMITED**  
**(Registered Number : 2810362)**

**FINANCIAL STATEMENTS**

**31ST DECEMBER 1996**



**MOORES ROWLAND**  
**Chartered Accountants**  
**Clifford's Inn**  
**Fetter Lane**  
**LONDON EC4A 1AS**

**I.M. HOLDINGS LIMITED**

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**REPORT OF THE DIRECTOR**

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The director has pleasure in submitting his report and the company's financial statements for the year to 31st December 1996.

**1. BUSINESS REVIEW**

The company has not commenced to trade since incorporation on 19th April 1993.

**2. DIRECTOR**

Mr R.N. Edmiston was the only director during the year. He had no direct beneficial interest in the shares of the company throughout the year, but he held 100% of the issued shares of the ultimate parent company at the beginning and end of the year.

**3. AUDITORS**

On 1st October 1996, the auditors, Blakemores merged their practice with that of Moores Rowland and are now practising under that name. A resolution will be proposed at the Annual General Meeting that Moores Rowland (formerly Blakemores) be reappointed as auditors to the company for the ensuing year.

**By order of the Board**

  
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**D.L.J. NAPIER - Secretary**

4th June 1997

**I.M. HOLDINGS LIMITED**

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**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

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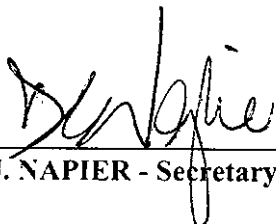
in respect of the preparation of financial statements

Company law requires the director 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 of the company for that period. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgments 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



D.L.J. NAPIER - Secretary

4th June 1997

**I.M. HOLDINGS LIMITED**

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**AUDITORS' REPORT TO THE MEMBER OF I.M. HOLDINGS LIMITED**

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We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policy set out on page 5.

**Respective responsibilities of the director and auditors**

As described on page 2, the company's director is 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 judgments made by the director 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 31st December 1996 and have been properly prepared in accordance with the Companies Act 1985.



**MOORES ROWLAND**  
**Chartered Accountants and**  
**Registered Auditors**  
**Clifford's Inn**  
**Fetter Lane**  
**LONDON EC4A 1AS**

5th June 1997

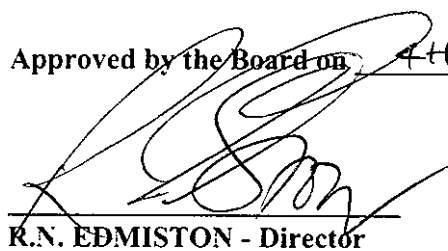
**I.M. HOLDINGS LIMITED**

**BALANCE SHEET**

At 31st December 1996

	Note	1996 £	1995 £
<b>CURRENT ASSETS</b>			
Debtors	4	<u>1</u>	<u>1</u>
		<u>1</u>	<u>1</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	<u>1</u>	<u>1</u>
<b>EQUITY SHAREHOLDER'S FUNDS</b>		<u>1</u>	<u>1</u>

Approved by the Board on 4th June 1997 and signed on its behalf by:

  
R.N. EDMISTON - Director

The notes on pages 5 and 6 form part of these financial statements.

# **I.M. HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31st December 1996

### **1. ACCOUNTING POLICY**

#### **Basis of accounting**

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

### **2. PROFIT AND LOSS ACCOUNT**

The company has not commenced to trade since incorporation. No profit and loss account has therefore been prepared.

### **3. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

The company has made no gains or losses since incorporation.

<b>4. DEBTORS</b>	<b>1996 £</b>	<b>1995 £</b>
Amounts owed by group undertakings	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

### **5. GUARANTEES**

The company has entered into unlimited cross-guarantees with group undertakings, guaranteeing for each undertaking bank overdrafts and other facilities available which have group limits of £20.0m (1995 : £20.0m).

<b>6. SHARE CAPITAL</b>	<b>1996 £</b>	<b>1995 £</b>
<b>Authorised:</b>		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid:</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

## **I.M. HOLDINGS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS *continued***

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Year ended 31st December 1996

#### **7. ULTIMATE PARENT COMPANY**

The ultimate parent company is I.M. Group Limited, a company incorporated in Great Britain.

Group financial statements for I.M. Group Limited are available to the public on payment of the appropriate fee from Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

#### **8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

A separate movement of shareholder's funds statement is not provided as there are no changes for the current or previous year.

#### **9. CONTROL**

The company is controlled by I.M. Group Limited, which owns 100% of the issued share capital of the company.

The ultimate controlling party is Mr R.N. Edmiston, who owns 100% of the issued share capital of I.M. Group Limited.