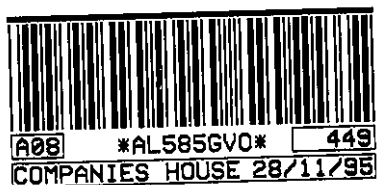


2849288

GLOBAL MSI plc
REPORT AND ACCOUNTS
29 APRIL 1995



NASH BROAD WESSON
Chartered Accountants
42 Upper Berkeley Street
London W1H 8AB

GLOBAL MSI plc

Directors:	I L Donald M J Bell C W Ball D Chandarana T Fernley M G Froud A C G Galanis M P A O'Connell D Pyle
Secretary:	D Chandarana
Company Number:	2849288
Registered Office:	42 Upper Berkeley Street London W1H 8AB
Auditors:	Nash Broad Wesson Chartered Accountants 42 Upper Berkeley Street London W1H 8AB

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GLOBAL MSI plc
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 29 APRIL 1995

The directors present their report, together with the audited accounts of the company, for the year ended 29 April 1995.

DIRECTORS' RESPONSIBILITIES

The directors are required by company law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for that period. In preparing the accounts, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements have been made. The directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities. The directors are satisfied that the business is a going concern.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 4.

An interim dividend of £2 per share was paid during the year.

The directors do not recommend the payment of a final dividend.

REVIEW OF BUSINESS

The principal activity of the company is the fabrication and erection of petrol station canopies.

Faced with difficult trading conditions the company has performed reasonably satisfactorily in the year.

FUTURE DEVELOPMENTS AND EVENTS SINCE THE YEAR END

There have been no events since the balance sheet date which materially affect the position of the company.

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets throughout the year are shown in note 10 to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors in office throughout the year are set out below:

I L Donald
M J Bell
C W Ball
D Chandarana
T L Donald - Resigned on 16 February 1995
T Fernley
M G Froud
A C G Galanis
M P A O'Connell
D Pyle

No director had, at any time during the year, any beneficial interest in the issued share capital of the company.

PARENT UNDERTAKINGS

The company's shareholders are Portman International Securities Limited and M S International plc which each own 50% of the ordinary share capital of the company. Each of the shareholders is entitled to appoint half of the board and has exercised this right. Certain of the directors of the company have interests in the shares of the respective joint parent undertakings.

GLOBAL MSI plc
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

AUDITORS

A resolution proposing the re-appointment of Nash Broad Wesson will be put to the members at the Annual General Meeting.

Approved by the Board of Directors on *19th July* 1995
and signed on their behalf by:



D CHANDARANA
Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF

GLOBAL MSI plc

We have audited the accounts on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 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 the company's affairs as at 29 April 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



NASH BROAD WESSON

Chartered Accountants
Registered Auditors
42 Upper Berkeley Street
London W1H 8AB

19 July 1995

GLOBAL MSI plc
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 APRIL 1995

	Notes	1995	7 months ended 30 April 1994
TURNOVER	2	11,915,989	5,427,358
Cost of sales		<u>9,700,771</u>	<u>4,527,718</u>
GROSS PROFIT		2,215,218	899,640
Distribution costs	858,233		440,812
Administrative expenses	<u>845,725</u>	<u>1,703,958</u>	<u>541,253</u>
			982,065
OPERATING PROFIT (LOSS)	3	511,260	(82,425)
Interest receivable	6	<u>5,518</u>	<u>5,113</u>
		516,778	(77,312)
Interest payable	7	<u>1,634</u>	<u>521</u>
PROFIT (LOSS) on ordinary activities before taxation		515,144	(77,833)
Taxation (charge) credit	8	<u>(200,191)</u>	<u>41,191</u>
PROFIT (LOSS) on ordinary activities after taxation		314,953	(36,642)
Dividends to equity shareholders	9	<u>200,000</u>	<u>-</u>
Retained profit (loss) for the year		114,953	(36,642)
Accumulated losses brought forward		<u>(36,642)</u>	<u>-</u>
Accumulated profits (losses) carried forward		<u>£ 78,311</u>	<u>£ (36,642)</u>

All recognised gains and losses are included in the above profit and loss account.

All the above amounts relate to continuing activities.

GLOBAL MSI plc
BALANCE SHEET
AS AT 29 APRIL 1995

	Notes	1995	1994
FIXED ASSETS			
Tangible assets	10	720,086	745,629
CURRENT ASSETS			
Stock	11	380,151	328,159
Debtors	12	2,148,660	1,875,990
Cash at bank and in hand		273,284	102,831
		<u>2,802,095</u>	<u>2,306,980</u>
CREDITORS: amounts falling due within one year	13	2,037,948	1,730,329
NET CURRENT ASSETS		<u>764,147</u>	<u>576,651</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,484,233	1,322,280
CREDITORS: amounts falling due after more than one year	14	1,258,922	1,258,922
PROVISIONS FOR LIABILITIES AND CHARGES	15	47,000	-
		<u>1,305,922</u>	<u>1,258,922</u>
		<u>£ 178,311</u>	<u>£ 63,358</u>
CAPITAL AND RESERVES			
Called up share capital	17	100,000	100,000
Profit and loss account		78,311	(36,642)
EQUITY SHAREHOLDERS' FUNDS		<u>£ 178,311</u>	<u>£ 63,358</u>

Approved by the Board of Directors on *19th July* 1995
and signed on their behalf by:

I L DONALD

M J BELL

GLOBAL MSI plc
CASH FLOW STATEMENT
FOR THE YEAR ENDED 29 APRIL 1995

	Notes	1995	7 months ended 30 April 1994
OPERATING ACTIVITIES			
Net cash inflow (outflow) from operating activities	18(1)	550,434	(51,082)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		5,518	5,113
Interest paid		(1,634)	(521)
Dividends paid		(200,000)	-
Net (outflow) inflow on returns on investment and servicing of finance		(196,116)	4,592
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		(198,068)	(135,538)
Receipts from sales of tangible fixed assets		14,203	8,097
Net cash outflow from investing activities		(183,865)	(127,441)
Increase (decrease) in cash and cash equivalents	18(2)	£ 170,453	£ (173,931)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29 APRIL 1995

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared on the historical cost basis and in accordance with applicable Accounting Standards.

(b) Depreciation

Depreciation is provided on all tangible assets to write off the cost, less estimated residual value, of each asset evenly over its expected useful life. The estimated useful lives are as follows:

Plant and machinery	: 8 years
Motor vehicles - vans	: 3 years
- cars	: 3 years
Fixtures, fittings and equipment	: 5 years
Computer equipment	: 3 years

(c) Stock and work in progress

Stock and work in progress is valued at the lower of cost and net realisable value. Cost is based on the cost of purchases on a first in, first out basis, and in the case of work in progress includes an appropriate proportion of production overheads.

Net realisable value is based on estimated selling price less further costs to completion and sale.

(d) Deferred taxation

Provision is made for deferred taxation on all timing differences using the liability method except where, in the directors' opinion, such provision will not reverse in the foreseeable future.

(e) Research and development expenditure

Research and development expenditure is written off in the period it is incurred.

(f) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

2. TURNOVER

Turnover represents sales to outside customers at invoiced amounts less value added tax, and is derived entirely from the company's principal activity.

Turnover is analysed by geographical markets as follows:

	1995	7 months ended 30/4/1994
UK	8,632,641	4,617,800
Europe	3,283,348	809,558
	<u>£ 11,915,989</u>	<u>£ 5,427,358</u>

3. OPERATING PROFIT (LOSS)

This is stated after charging (crediting):

	1995 £	7 months ended 30/4/1994 £
Directors' remuneration (including estimated benefits and pension contributions)	208,761	117,507
Auditors' remuneration		
Audit fee	16,119	4,000
Fees for non-audit services	750	1,750
Plant hire	165,172	78,950
Research and development expenditure	25,267	1,515
Depreciation charge	215,432	121,661
(Profit) loss on sale of tangible assets	(6,024)	256
Foreign exchange (gains) losses	(73,226)	5,702
	<u>£ 208,761</u>	<u>£ 117,507</u>

4. DIRECTORS' REMUNERATION

	1995	7 months ended 30/4/1994
(a) Management remuneration	186,184	103,461
Benefits in kind	18,820	8,761
Pension contribution	3,757	5,285
	<u>£ 208,761</u>	<u>£ 117,507</u>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

4. DIRECTORS' REMUNERATION (Continued)

(b) Analysis

The remuneration of the directors excluding pension contributions fell within the following bands:

	1995	7 months ended 30/4/1994
£ 0 - £ 5,000	6	6
£15,001 - £20,000	-	1
£25,001 - £30,000	-	1
£30,001 - £35,000	-	2
£35,001 - £40,000	1	-
£50,001 - £55,000	1	-
£55,001 - £60,000	2	-

The joint chairmen received no remuneration from the company. The highest paid director received £56,229 (1994: £32,115) for the 7 month period.

5. STAFF COSTS

	1995	7 months ended 30/4/1994
Staff costs during the year amounted to:		
Wages and salaries	2,108,721	1,047,395
Social security costs	208,520	103,749
Pension costs (Note 21)	38,857	13,192
	<u>£ 2,356,098</u>	<u>£ 1,164,336</u>

The average weekly number of employees during the year was made up as follows:

	1995	7 months ended 30/4/1994
Production	80	73
Technical	26	20
Distribution and selling	7	6
Administration	13	11
	<u>126</u>	<u>110</u>

6. INTEREST RECEIVABLE

	1995	7 months ended 30/4/1994
Bank interest	1,171	313
Interest received from parent undertaking	4,148	4,800
Other interest	199	-
	<u>£ 5,518</u>	<u>£ 5,113</u>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

7.	INTEREST PAYABLE		7 months ended 30/4/1994
		1995	
	Bank interest	969	521
	Interest paid to parent undertaking	665	-
		<hr/>	<hr/>
		£ 1,634	£ 521
		<hr/>	<hr/>
8.	TAXATION (CHARGE) CREDIT		7 months ended 30/4/1994
		1995	
	Based on the profit (loss) for the year:		
	UK Corporation tax at 33 %	(112,000)	-
	Deferred taxation	(47,000)	-
		<hr/>	<hr/>
		(159,000)	-
	Amount receivable for consortium relief now cancelled	(41,191)	41,191
		<hr/>	<hr/>
		£ (200,191)	£ 41,191
		<hr/>	<hr/>

The UK corporation tax on the profit of the year is calculated after deducting losses brought forward.

The amount receivable for consortium relief in respect of the loss in the previous year has been cancelled, as the loss was not surrendered to the parent companies, but carried forward.

9.	DIVIDENDS TO EQUITY SHAREHOLDERS		7 months ended 30/4/1994
		1995	
	Interim dividend of £2 per share	£ 200,000	£ -
		<hr/>	<hr/>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

10. TANGIBLE FIXED ASSETS

	Plant and machinery	Motor vehicles	Fixtures, fittings and equipment	Computer equipment	Total
Cost:					
At 1 May 1994	527,185	188,177	62,409	87,071	864,842
Additions	45,982	86,245	9,403	56,438	198,068
Disposals	(7,551)	(9,000)	-	-	(16,551)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
29 April 1995	565,616	265,422	71,812	143,509	1,046,359
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:					
At 1 May 1994	38,149	52,415	8,112	20,537	119,213
Charge for the year	68,411	92,301	13,478	41,242	215,432
Disposals	(1,247)	(7,125)	-	-	(8,372)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
29 April 1995	105,313	137,591	21,590	61,779	326,273
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:					
29 April 1995	£ 460,303	£ 127,831	£ 50,222	£ 81,730	£ 720,086
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
30 April 1994	£ 489,036	£ 135,762	£ 54,297	£ 66,534	£ 745,629
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

11. STOCKS

	1995	1994
Raw materials	215,968	211,185
Work in progress	164,183	116,974
	<hr/>	<hr/>
	£ 380,151	£ 328,159
	<hr/>	<hr/>

12. DEBTORS

	1995	1994
Trade debtors	1,785,677	1,525,467
Amounts owed by associated undertakings	156,663	200,993
Consortium relief receivable	-	41,191
Other debtors	169,963	15,876
Prepayments and accrued income	36,357	92,463
	<hr/>	<hr/>
	£ 2,148,660	£ 1,875,990
	<hr/>	<hr/>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

13.	CREDITORS: amounts falling due within one year	1995	1994
	Customer deposits	36,511	7,662
	Trade creditors	1,559,001	1,475,778
	Amount owed to associated undertakings	11,198	58,018
	Corporation tax	112,000	-
	Taxation and social security	147,181	110,728
	Other creditors and accruals	172,057	78,143
		<u>£ 2,037,948</u>	<u>£ 1,730,329</u>

14.	CREDITORS: amounts falling due after more than one year	1995	1994
	Unsecured convertible loan stock	£ 1,258,922	£ 1,258,922
		<u>£ 1,258,922</u>	<u>£ 1,258,922</u>

The stock is repayable on 17 September 1998 at par and bears a 2% coupon rate. The stockholders have waived their entitlements for the year ended 29 April 1995. Conversion of the stock to £1 ordinary shares is automatic in the event of insolvency of the company or on the appointment of a receiver. The stock is convertible in such instances at par into ordinary shares.

15.	PROVISIONS FOR LIABILITIES AND CHARGES	Deferred taxation (note 16)
	At 1 May 1994	-
	Charge for the year at 33%	47,000
	At 29 April 1995	<u>£ 47,000</u>

16.	DEFERRED TAXATION				
		Amount	1995	Amount	1994
		provided	Potential	provided	Potential
			liability		liability
	Excess of capital allowances over depreciation	£ 47,000	£ 47,000	£ -	£ -
		<u>£ 47,000</u>	<u>£ 47,000</u>	<u>£ -</u>	<u>£ -</u>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

17. CALLED UP SHARE CAPITAL

	1995	Authorised, allotted, and fully paid 1994
'A' Ordinary shares of £1 each	50,000	50,000
'B' Ordinary shares of £1 each	50,000	50,000
	<u>£ 100,000</u>	<u>£ 100,000</u>

Each class of share is entitled to elect half of the board of directors. In all other respects they rank pari passu.

18. (1) RECONCILIATION OF OPERATING PROFIT (LOSS) AND
NET CASH INFLOW (OUTFLOW) FROM OPERATING
ACTIVITIES

	1995	1994
Operating profit (loss)	511,260	(82,425)
(Profit) loss on sale of tangible assets	(6,024)	256
Depreciation	215,432	121,660
Change in stock	(51,992)	13,897
Change in debtors	(313,861)	(1,834,799)
Change in creditors	195,619	1,730,329
	<u>£ 550,434</u>	<u>£ (51,082)</u>

(2) ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS
DURING THE PERIOD

	1995	1994
1 May 1994	102,831	276,762
Net cash inflow (outflow)	170,453	(173,931)
	<u>£ 273,284</u>	<u>£ 102,831</u>

19. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS
AS SHOWN IN THE BALANCE SHEET

	1995	1994	Change in period
Cash at bank and in hand	<u>£ 273,284</u>	<u>£ 102,831</u>	<u>£ 170,453</u>

GLOBAL MSI plc
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 29 APRIL 1995
(Continued)

20.	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	1995	1994
	Profit (loss) after taxation for the year	314,953	(36,642)
	Dividends to equity shareholders'	(200,000)	-
	Issue of share capital	-	100,000
		<hr/>	<hr/>
	Net addition to shareholders' funds	114,953	63,358
	Opening equity shareholders' funds	63,358	-
		<hr/>	<hr/>
	Closing equity shareholders' funds	£ 178,311	£ 63,358
		<hr/>	<hr/>

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account as shown in note 5 to the accounts.

22. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 29 April 1995 there were contingent liabilities in respect of preference bonds and guarantees amounting to £20,395 (1994: £16,211).

There were no other contingent liabilities at 29 April 1995 (1994: nil).

There were no capital commitments at 29 April 1995 (1994: nil).

