

BW INTERNATIONAL (HOLDINGS) LTD
(FORMERLY INHOCO 389 LTD)
REPORT AND ACCOUNTS
PERIOD ENDED 31 MARCH 1995

Registered number

3010314



CHANGE OF NAME

The company changed its name from Inhoco 389 Ltd to BW International (Holdings) Ltd on 22 March 1995.

DIRECTORS' REPORT

The directors' present their first annual report, since incorporation on 16 January 1995, on the affairs of the company, together with the accounts and the auditors' report, for the period ended 31 March 1995

SHARE CAPITAL

The company was incorporated with an authorised share capital of £1,000 which was increased to £1,000,000 on 9 February 1995 by the creation of 999,000 additional ordinary shares of £1 each. On 30 March 1995 the authorised share capital of the company was increased from £1,000,000 to £11,000,000 by the creation of 10,000,000 additional ordinary shares of £1 each. On incorporation the company issued two £1 ordinary shares nil paid. On 10 February 1995 the sum of £1 was called up on each of these shares but was not paid.

On 30 March 1995 the company acquired the entire share capital of BW International Inc. from Barry Wehmiller International Plc in exchange for the allotment of 10,000,000 ordinary shares of £1 each credited as fully paid.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of an investment holding company. The company became a wholly owned subsidiary of Barry Wehmiller International Plc on 10 February 1995.

DIRECTORS AND DIRECTORS' INTERESTS

The directors who served during the period were:

Dennis House Nominees Ltd.	(resigned 11 February 1995)
M G Ashton	(appointed 11 February 1995)
S M Brown	(appointed 11 February 1995)

The interests of S M Brown and M G Ashton in the ordinary shares of Barry Wehmiller International PLC are stated in the latest available accounts of that company which were made up to 31 July 1994. There has been no significant change in the interest of the directors since 31 July 1994.

The company's ultimate parent company maintained cover during the year for the company's Directors and Officers under a Directors and Officers liability insurance policy.

RESULTS AND DIVIDEND

The results for the period are shown on page 3. The Directors declared a foreign income interim dividend of £1,450,000 which was paid on 31 March 1995.

AUDITORS

Price Waterhouse were appointed auditors during the period and a resolution concerning their reappointment will be proposed at the Annual General Meeting

By Order Of The Board


D Baxter, Secretary

25 April 1995

**DIRECTORS' RESPONSIBILITIES FOR
PREPARATION OF THE ACCOUNTS**

The directors are required to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company at the end of that period, and of the profit or loss for the period to that date. The accounts must be prepared in compliance with the Companies Act 1985 and with the applicable accounting standards.

In preparing the accounts the directors are also required:

- to maintain adequate accounting records, to safeguard the assets and to prevent and detect fraud and other irregularities;
- to select suitable accounting policies and apply them consistently, supported as appropriate by reasonable and prudent judgements and estimates.

The directors confirm that they have complied fully with these requirements in preparing the accounts on pages 3 to 8.

**REPORT OF THE AUDITORS
TO THE MEMBERS OF BW INTERNATIONAL (HOLDINGS) LTD**
(formerly Inhoco 389 Limited)

We have audited the accounts on pages 3 to 8 which have been prepared under the historical cost convention and accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described above the Company's directors are responsible for the preparation of the 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

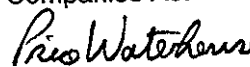
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by 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

As stated in note 9 the directors have used the exemption under section 229(3)(b) of the Companies Act 1985 not to prepare consolidated accounts for the company and its subsidiary undertaking ("the Group") on the basis that the information necessary to do so cannot be obtained without disproportionate expense or undue delay. Financial Reporting Standard 2 "Accounting for Subsidiary Undertakings" does not permit the use of this exemption to justify excluding from consolidation subsidiary undertakings that were individually or collectively material in the context of the Group during the period for which the accounts were prepared.

Except for the omission of consolidated accounts for the Group as required by Financial Reporting Standard 2, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Price Waterhouse
Chartered Accountants
and Registered Auditors

York House
York Street
Manchester M2 4WS

25 April 1995

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 1995

	<u>Notes</u>	<u>1995</u>
		£
INCOME FROM SHARES IN A GROUP UNDERTAKING		2,287,914
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>2,287,914</u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	3	(769,407)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>1,518,507</u>
DIVIDENDS PAYABLE		1,450,000
RETAINED PROFIT CARRIED FORWARD		<u>68,507</u>

The accompanying notes on pages 6 to 8 form an integral part of these accounts.

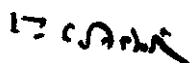
All recognised gains and losses have been included in the profit and loss account. However, exchange losses of £185,186 arising on the retranslation of equity investments denominated in US Dollars have been included in reserves and wholly offset by exchange gains arising on the retranslation of US Dollar borrowings from the Parent Company.

All of the operations of the company are continuing.

BALANCE SHEET AS AT 31 MARCH 1995

	Note	1995 £	1995 £
FIXED ASSETS			
Investments	4		14,933,795
DEBTORS			
Amounts due after more than one year	5		15,185,068
CURRENT ASSETS			
Debtors	5	362,502	
Cash at bank		68,507	
		<u>431,009</u>	
CREDITORS			
Amounts falling due within one year:	6	<u>(547,568)</u>	
NET CURRENT LIABILITIES			(116,559)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>30,002,304</u>
CREDITORS			
Amounts falling due after more than one year:	7		(14,814,814)
NET ASSETS			<u>15,187,490</u>
CAPITAL AND RESERVES			
Called up share capital	8		10,000,002
Share premium account	8		5,118,981
Profit and loss account			68,507
Total amount of shareholders' funds			<u>15,187,490</u>

The accompanying notes on pages 6 to 8 form an integral part of these accounts.


M G Ashton, Director

25 April 1995

CASHFLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 1995

	£
Returns on investments and servicing of finance	
Dividends received from subsidiary undertakings	1,518,507
Dividends paid	(1,450,000)
Net cash inflow from returns on investments and servicing of finance	<u>68,507</u>
Increase in cash and cash equivalents	<u>68,507</u>

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Investments

Investments are shown at cost and are principally denominated in US dollars; Exchange gains and losses arising on the retranslation of investments are included in reserves.

2. DIRECTORS AND EMPLOYEES

No director received any remuneration for services to the company .
The company has no other employees.

3. TAXATION

1995
£

UK Corporation tax at 33%	755,012
Less relief for overseas' taxation	(755,012)
Overseas' taxation	769,407
	<u>769,407</u>

4. INVESTMENTS

1995
£

Acquired during the period	<u>14,933,795</u>
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This comprises 100% of the common stock in BW International Inc., a company incorporated in Georgia, USA., consisting of 40,200,000 Common Stock of \$1. BW International Inc. acts as an intermediate international holding company for Barry Wehmiller International PLC's holdings in the USA.

NOTES TO THE ACCOUNTS

5	DEBTORS	1995 £
	Called up share capital not paid	2
	Advance corporation tax recoverable	362,500
		<u>362,502</u>
	<i>Amounts due after more than one year :</i>	<u>15,185,068</u>
	The amount due from the parent company is interest free and is repayable on 31 July 1999.	
6	CREDITORS	1995 £
	<i>Amounts falling due within one year :</i>	
	Advance corporation tax payable	362,500
	Amounts due to the parent company	185,068
		<u>547,568</u>
7	CREDITORS	
	<i>Amounts falling due after more than one year :</i>	
	Amounts due to the parent company	<u>14,814,814</u>
	The amount due to the parent company is denominated in US dollars, and is interest free. The loan is repayable on 31 July 1999.	
8	CALLED UP SHARE CAPITAL	
	The authorised share capital is £11,000,000..	
		Share premium Share capital
		£ £
	<i>Issued and fully paid:</i>	
	Ordinary shares of £1 each	5,118,981 10,000,002

A total of 10,000,000 shares were issued on 30 March 1995 to the company's parent, Barry Wehmiller International PLC, in exchange for the entire share capital of BW International Inc at an amount of £15,118,981.

NOTES TO THE ACCOUNTS

9 ULTIMATE PARENT COMPANY

The company's' ultimate parent company is Barry Wehmiller International PLC, a company registered in England.

The directors have used the exemption under section 229(3)(b) of the Companies Act 1985 not to prepare consolidated accounts for the company and its subsidiary undertaking on the basis that the information necessary cannot be obtained without disproportionate expense or undue delay.

10 MOVEMENT IN SHAREHOLDERS FUNDS

	<u>1995</u> £
Profit	1,518,507
Dividend	<u>(1,450,000)</u>
	68,507
Net proceeds of issue of shares	<u>15,118,983</u>
	<u>15,187,490</u>

11 CONTINGENCIES AND COMMITMENTS

Unlimited cross guarantees exist between Barry Wehmiller International PLC and BW International (Holdings) Ltd, each securing the account of the other.