

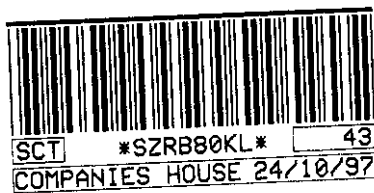
CLYDE SECURITY (COMMISSIONAIRES) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 1996

Registered Number 85731

2



CLYDE SECURITY (COMMISSIONAIRES) LIMITED

DIRECTORS

CT Pearce	-	resigned 21 August 1996
R Ward-Jones	-	resigned 21 August 1996
AA Bourne	-	appointed 21 August 1996
GT Brown	-	appointed 21 August 1996

SECRETARY

GT Brown

AUDITORS

Price Waterhouse
Southwark Towers
32 London Bridge Street
London
SE1 9SY

REGISTERED OFFICE

Unit 8
Earnhill Place
Larkfield Industrial Estate
Greenock
PA16 OEG

CLYDE SECURITY (COMMISSIONAIRES) LIMITED
REPORT OF THE DIRECTORS

The directors submit their annual report, together with the audited accounts of the company for the year ended 31 December 1996, which will be laid before the members at the annual general meeting.

PROFIT AND LOSS ACCOUNT

The profit for the period, after taxation, amounted to £Nil (1995: £Nil). The directors do not recommend the payment of a dividend for 1996 (1995: £Nil).

PRINCIPAL ACTIVITY

The main trading object for which the company was incorporated is the supplying of security personnel.

REVIEW OF OPERATIONS

The company has not traded in the year. Consequently the company has made neither profit nor loss for the year.

DIRECTORS

The directors named on page 1, except where shown, held office throughout the period.

Messrs AA Bourne and GT Brown are also directors of Rentokil Dormant (No.1) Limited and their interests in Rentokil Initial plc are shown in the accounts of Rentokil Dormant (No.1) Limited.

CLYDE SECURITY (COMMISSIONAIRES) LIMITED
REPORT OF THE DIRECTORS (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 these accounts, the directors are required to:

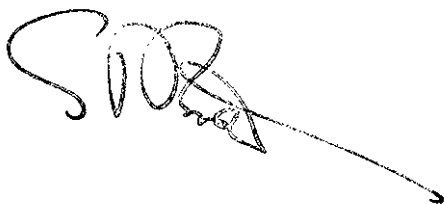
- adopt suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards;
- prepare the accounts on a going concern basis.

The directors are responsible for ensuring that the company keeps 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The company is now dormant and a resolution will be put to the members in general meeting that the company avails itself of the exemption from audit permitted under Section 250 of the Companies Act 1985.

By order of the board



GT Brown
Company Secretary

Felcourt
East Grinstead
West Sussex
RH19 2JY

15 May 1997

AUDITORS' REPORT TO THE SHAREHOLDERS OF
CLYDE SECURITY (COMMISSIONAIRES) LIMITED

We have audited the accounts on pages 5 to 9 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 3 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 at 31 December 1996 and have been properly prepared in accordance with the Companies Act 1985.



Price Waterhouse
Chartered Accountants
Registered Auditors
Southwark Towers
32 London Bridge Street
London
SE1 9SY

15 May 1997

CLYDE SECURITY (COMMISSIONAIRES) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1996

	<u>1996</u> £	<u>1995</u> £
TURNOVER (Note 2)	-	-
COST OF SALES	<u>-</u>	<u>-</u>
GROSS PROFIT	-	-
Administrative Expenses	<u>-</u>	<u>-</u>
OPERATING PROFIT	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES (Note 3)	<u>-</u>	<u>-</u>
RETAINED PROFIT FOR THE PERIOD	<u>-</u>	<u>-</u>

There is no material difference between the results disclosed above and the result on an unmodified historical cost basis.

There were no recognised gains or losses except as shown above.

The notes on pages 7 to 9 form part of the accounts.

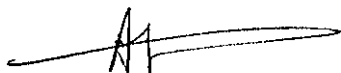
CLYDE SECURITY (COMMISSIONAIRES) LIMITED

BALANCE SHEET - 31 DECEMBER 1996

	<u>1996</u>		<u>1995</u>	
	£	£	£	£
CURRENT ASSETS				
Debtors (Note 7)	80,705		80,705	
Cash at bank and in hand	<u>646</u>		<u>646</u>	
		<u>81,351</u>		<u>81,351</u>
NET CURRENT ASSETS		<u>81,351</u>		<u>81,351</u>
TOTAL ASSETS		<u>81,351</u>		<u>81,351</u>
CALLED UP SHARE CAPITAL				
Ordinary shares of £1 each				
Authorised, allotted and				
fully paid		10,000		10,000
PROFIT AND LOSS ACCOUNT		<u>71,351</u>		<u>71,351</u>
(Note 5)		<u>81,351</u>		<u>81,351</u>

The notes on pages 7 to 9 form part of the accounts.

Approved by the board on 15 May 1997



AA Bourne
Director

CLYDE SECURITY (COMMISSIONAIRES) LIMITED
NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

1 ACCOUNTING POLICIES

Basis of Preparation

The company prepares its accounts on the basis of historical cost. The company accounts have been prepared in accordance with the Companies Act 1985 as amended by the Companies Act 1989 and applicable accounting standards.

In accordance with paragraph 8c of FRS 1, the company, being the wholly owned subsidiary of another company which itself prepares a cash flow statement including that of this company, has not prepared such a statement itself.

2 TURNOVER

Turnover represents the invoiced value of goods sold and services rendered during the year exclusive of value added tax. The turnover is attributable to the principal activity of the company and all arises within the United Kingdom.

3 PROFIT BEFORE TAXATION

	<u>1996</u> £	<u>1995</u> £
The profit on ordinary activities before taxation was arrived at after charging:		
Depreciation	-	-
Auditors' remuneration - audit fee	<u>-</u>	<u>-</u>

4 EMPLOYEES

The company has no employees and none of the directors received any emoluments in respect of services provided to the company.

5 PROFIT AND LOSS ACCOUNT

	<u>1996</u> £
At 1 January 1996	71,351
Result for the period	<u>-</u>
At 31 December 1996	<u>71,351</u>

CLYDE SECURITY (COMMISSIONAIRES) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996 (CONTINUED)

6 RECONCILIATION OF MOVEMENTS IN
SHAREHOLDERS' FUNDS

	<u>1996</u> £	<u>1995</u> £
Result for the period	—	—
Net increase in shareholders' funds	—	—
Opening shareholders' funds	<u>81,351</u>	<u>81,351</u>
Closing shareholders' funds	<u>81,351</u>	<u>81,351</u>

7 DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts owed by immediate parent company	<u>80,705</u>	<u>80,705</u>

8 OPERATING LEASE COMMITMENTS

The company has annual lease commitments under non-cancellable leases in respect of properties, vehicles and plant and equipment as detailed below.

	<u>1996</u>		<u>1995</u>	
	<u>Property</u> £	<u>Other</u> £	<u>Property</u> £	<u>Other</u> £
Operating leases which expire After 5 years	—	—	<u>10,000</u>	—

CLYDE SECURITY (COMMISSIONAIRES) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996 (CONTINUED)

9 CONTINGENT LIABILITIES

There are contingent liabilities in respect of litigation. None of the actions is expected to give rise to any material loss except as provided for in these accounts.

10 ULTIMATE PARENT COMPANY

The company's immediate parent company is Rentokil Dormant (No.1) Limited.

The company's ultimate parent company is Rentokil Initial plc, which forms the only group into which the financial statements of the company are consolidated. The consolidated financial statements of Rentokil Initial plc are available from Felcourt, East Grinstead, West Sussex, RH19 2JY.

11 RELATED PARTY TRANSACTIONS

Rentokil Initial plc is also the company's ultimate controlling company. The company has not undertaken any transactions with related parties during the year, other than transactions with fellow members of the Rentokil Initial plc group. Such transactions are exempt from disclosure under FRS8.