

SC. 105552.

SKELLY'S LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999



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SKELLY'S LIMITED

Company Registration Number 105552

DIRECTORS' REPORT

The Directors present their Report and the Financial Statement for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

The Company did not trade during the year and is dormant.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year were:

J M Ritchie

P Beynon

After the year end, Mr Beynon resigned and Mr Derek Potts was appointed a Director with effect from 1 January 2000.

According to the register of Directors' interests kept by the Company under section 325 of the Companies Act 1985 none of the Directors were interested in shares in, or debentures of, the Company or any company in the group at the end of the financial year. None of the Directors (or relevant connected persons) were granted or exercised any rights to subscribe for shares in, or debentures of, the Company or another company in the same group during the financial year.

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 group as at the end of the period under review and of the profit or loss of the group for that period. 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 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

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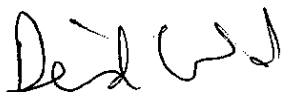
DIRECTORS' REPORT (cont.)

AUDITORS

The Company is exempt from the obligation to appoint auditors as it satisfies the provisions of the Companies Act 1985 relating to dormant companies.

By order of the Board
Matheson & Co., Limited

Secretaries



D M A Watson
Assistant Secretary

13 April 2000

SKELLY'S LIMITED

Company Registration Number 105552

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1999**

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently during those years the Company made neither a profit nor a loss.

**BALANCE SHEET
31 DECEMBER 1999**

| | Note | 1999 £000 | 1998 £000 |
|---|------|---------------|---------------|
| Current assets | | | |
| Debtors: Amounts owed by group undertakings | | 250 | 250 |
| | | <u> </u> | <u> </u> |
| Capital and reserves | | | |
| Called up share capital | 2 | 250 | 250 |
| | | <u> </u> | <u> </u> |

The Company was dormant within the meaning of Section 250 of the Companies Act 1985 throughout the financial year ending 31 December 1999.

Approved by the Board of Directors

D Potts

13 April 2000

The notes on page 4 form an integral part of these financial statements.

SKELLY'S LIMITED

Company Registration Number 105552

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999****1. Accounting policies****Basis of preparation**

These financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards. The principal accounting policies which the Directors have adopted within that convention are set out below.

2. Share capital

The Company has authorised share capital of 250,000 ordinary shares of £1 each and has 250,000 allotted, issued and fully paid ordinary shares of £1 each.

3. Ultimate parent company

The parent undertaking is Ian Skelly Group Limited

The ultimate parent company, which is also the ultimate controlling interest, is Jardine Matheson Holdings Limited, a company incorporated in Bermuda.

Accounts for Ian Skelly Group Limited and consolidated accounts for Jardine Matheson Holdings Limited can be obtained from:

Company Secretary
Lancaster plc
Charter Court
Colchester
CO4 4YA