



7 October 2004

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[www.londonstockexchange.com](http://www.londonstockexchange.com)

For the attention of the Nominated Advisers/ finance directors/ company secretaries, all AIM companies

**AIM10**

## STOCK EXCHANGE AIM NOTICE

### AIM RULES – UPDATE

#### Introduction

1. The Exchange has made a number of changes to the existing AIM Rules which will come into effect on 7 October 2004. We consulted the market about the most significant of these changes in June 2004 and we would like to thank all those who responded.

#### Summary of Rule changes

2. The most substantive changes which have been made are in respect of:
  - The form and content of half-yearly reports; and
  - The historical financial information requirements for quoted applicants.

#### Financial Information

3. In June 2004 we proposed that half-yearly reports must contain as a minimum, a balance sheet, an income statement and a cash flow statement. Having reviewed the consultation responses the Exchange can confirm that this requirement will be introduced. Moving forward the Exchange will also be including the requirement whereby half-yearly reports must include comparative figures and a statement as to whether or not they are audited.

Given some companies may have already commenced preparation of half-yearly reports due within the next few weeks, this rule will take effect for all companies with a half-year period end of 30 September or later.

4. Having reviewed the responses to the consultation on the adoption of International Accounting Standards, the Exchange can confirm that AIM companies may **continue** to prepare their annual audited accounts in accordance with United Kingdom or United States generally accepted accounting practice or International Accounting Standards.

Please note however that the guidance to Rule 17 states that the Exchange intends to **mandate** International Accounting Standards for all AIM companies for financial years commencing on **or after 1 January 2007**. AIM companies are encouraged to prepare for this change well in advance of this date.

### **Quoted Applicants**

5. The Exchange also consulted on a proposal to allow a quoted applicant, who cannot fulfil the requirement of having published report and accounts with a year end not more than nine months prior to admission, to prepare an interim statement which must be fully audited to supplement its most recent report and accounts. Following a positive response from the consultation the Exchange has decided to implement this change.

### **Rules**

6. The rule changes will come into effect on 7 October 2004 unless otherwise stated.

The revised rules are available to download in a clean and marked up version from our website:

[www.londonstockexchange.com/aim](http://www.londonstockexchange.com/aim)

***Hard copies of the AIM Rules (as amended) will be available early 2005.***

6. If you have any queries on the AIM Rules or would like further information on the rule changes please contact Chris Allison at [callison@londonstockexchange.com](mailto:callison@londonstockexchange.com) or by telephone 020 7797 4294.

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