

Reg. No. 74934

**JOHNSON & NEPHEW (AMBERGATE) LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**31ST DECEMBER 1995**



**JOHNSON & NEPHEW (AMBERGATE) LIMITED****REPORT OF THE DIRECTORS**

The Directors present their Annual Report and the Audited Accounts for the year ended 31st December 1995.

**Business Review**

The company has not traded during the period.

**Proposed Dividend**

The Directors do not propose the payment of a dividend (1994 : £Nil).

**Directors**

The following served as Directors during and, unless otherwise indicated, throughout the year:

A.C. Boydell  
I.S. Doig

**Directors' Interests**

The interests, all beneficial, of the Directors at the end of the year in the share capital of BRIDON plc comprise:

	<u>At .1.1995</u>	<u>Adjustment on Rights Issue</u>	<u>Lapsed not exercised</u>	<u>At 31.12.95</u>	<u>Exercise Price</u>	<u>Date from which Exercisable</u>	<u>Expiry Date</u>
<b><u>BRIDON plc Senior Executive Share Option Scheme</u></b>							
A.C. Boydell	44,631	1,258	-	45,889	144.915p	22/04/90	22/08/97
	15,369	433	-	15,802	160.476p	27/03/93	26/03/00
	<u>60,000</u>	<u>1,691</u>	<u>-</u>	<u>61,691</u>			

**BRIDON plc Savings-Related Share Option Scheme**

I.S.Doig	1,968	-	1,968	-
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The Market price of the shares at 31.12.95 was 119p and the range during 1995 was 119p to 161p.

The company has Directors' and Officers' Liability Insurance in force.

**JOHNSON & NEPHEW (AMBERGATE) LIMITED**

**REPORT OF THE DIRECTORS (continued)**

**Auditors**

In accordance with Section 250 of the Companies Act 1985, a resolution is to be proposed at the forthcoming Annual General Meeting exempting the company from the obligation to appoint auditors.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'I.S. Doig', is positioned above the printed name and title of the Secretary.

**I.S. DOIG**  
**Secretary**

**30th September 1996**

**JOHNSON & NEPHEW (AMBERGATE) LIMITED****DIRECTORS' RESPONSIBILITIES**

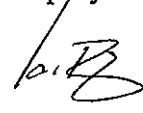
In respect of the preparation of financial statements

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 profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgements and estimates that are reasonable and prudent;
- o state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- o prepare the 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 have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

By order of the board  
I.S. Doig  
Company Secretary

  
30th September 1996

**AUDITORS' REPORT TO THE MEMBERS OF JOHNSON & NEPHEW (AMBERGATE) LTD.**

We have audited the financial statements on pages 4 to 6.

**Respective responsibilities of Directors and Auditors**

As described above the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31 December 1995 and have been properly prepared in accordance with the Companies Act 1985.

  
**KPMG**

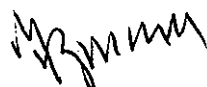
Chartered Accountants  
Registered Auditors  
8 Salisbury Square, London, EC4Y 8BB

30th September 1996

**JOHNSON & NEPHEW (AMBERGATE) LIMITED****BALANCE SHEET AT 31ST DECEMBER 1995**

	<u>Note</u>	<u>1995</u>		<u>1994</u>	
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
<b>CURRENT ASSETS</b>					
Debtors	3		<u>7,303</u>		<u>7,303</u>
<b>NET ASSETS</b>			<u>7,303</u>		<u>7,303</u>
			=====		=====
<b>FINANCED BY:</b>					
Called-up share capital	4		259		259
Share Premium account			<u>7,044</u>		<u>7,044</u>
			<u>7,303</u>		<u>7,303</u>
			=====		=====

These accounts were approved by  
the Board of Directors on 30th September 1996.



**A.C. BOYDELL**  
**DIRECTOR**

The notes on pages 5 to 6 form part of these accounts.

**JOHNSON & NEPHEW (AMBERGATE) LIMITED****NOTES TO THE ACCOUNTS****1. BASIS OF ACCOUNTING**

The accounts have been prepared under the historical cost convention, adjusted for the revaluation of certain properties, and in accordance with applicable accounting standards.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and a group cash flow statement is included in the accounts of the holding company.

**2. DIRECTORS' EMOLUMENTS**

Emoluments (excluding pension contributions) of the directors were as follows:

	<u>1995</u> £000	<u>1994</u> £000
Chairman	Nil	Nil
Highest paid director	<u>Nil</u>	<u>Nil</u>

	<u>Number of Directors</u>	
	<u>1995</u>	<u>1994</u>
Range of emoluments: Nil - £5,000	<u>2</u>	<u>9</u>
	<u>2</u>	<u>9</u>

**3. DEBTORS**

	<u>1995</u> £000	<u>1994</u> £000
Amount owed by group undertakings	<u>7,303</u>	<u>7,303</u>
	<u>7,303</u>	<u>7,303</u>

**JOHNSON & NEPHEW (AMBERGATE) LIMITED****NOTES TO THE ACCOUNTS (continued)****4. SHARE CAPITAL**

	<u>1995</u> £000	<u>1994</u> £000
Authorised		
Ordinary shares of 1p each	6	6
Deferred shares of £1 each	<u>253</u>	<u>253</u>
	<u>259</u>	<u>259</u>
Share capital allotted, called up and fully paid		
Ordinary shares of 1p each	6	6
Deferred shares of £1 each	<u>253</u>	<u>253</u>
	<u>259</u>	<u>259</u>

**5. ULTIMATE HOLDING COMPANY**

The company's ultimate holding company is BRIDON plc which is incorporated in the United Kingdom. BRIDON plc is the only parent undertaking of the company to prepare group accounts. Copies of the BRIDON plc group accounts may be obtained from its registered office at Carr Hill, Doncaster, South Yorkshire DN4 8DG.