

Specialist Cars (SNM) Limited

Directors' report and financial statements

31 December 1995

Registered number 226340



Specialist Cars (SNM) Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7

Specialist Cars (SNM) Limited

Directors' report

The directors present their annual report and the audited financial statements for the financial year ended 31 December 1995.

Principal activities and business review

The Company has not traded during the financial year ended 31 December 1995 and is unlikely to do so in the near future.

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend (1994: *£nil*).

Directors and directors' interests

The directors who held office during the year were as follows:

DJ Booth	
CW Parfitt	(resigned 3 April 1995)
BE Connolly	(resigned 8 September 1995)
NTC Fotherby	(appointed 8 September 1995)
ML Young	(appointed 8 September 1995)

None of the persons who were directors at 31 December 1995 had any interest in the shares of the Company.

The directors who held office at the end of the financial year had the following interests in the ordinary shares of Lex Service PLC, of which the Company is a wholly owned subsidiary, as recorded in the register of directors' share and debenture interests:

25p ordinary shares		
	As at 31 December 1995	As at 31 December 1994
DJ Booth	2,314	1,489 433*

* Held by Trustees of the Lex Service PLC Employee Share Scheme

Specialist Cars (SNM) Limited

Directors' report

Directors and directors' interests (continued)

The following directors held options at the beginning and end of the year, and during the year were granted or exercised options to subscribe for ordinary shares of 25p each in Lex Service PLC which were granted under the Lex Service PLC Executive Share Option Scheme as follows:

	As at 1 January 1995 or date of appointment if later	Options exercised during the year	As at 31 December 1995
	Number	Number	Number
DJ Booth	48,924	27,465	21,459
NTC Fotherby	16,915	-	16,915
ML Young	15,060	-	15,060

Directors' share options at 1 January 1995 have been restated to reflect adjustments as a result of the rights issued in August 1995.

Insurance

The directors and officers of Specialist Cars (SNM) Limited are indemnified under the Lex Service PLC worldwide director and officers' insurance cover.

Auditors

Our auditors, KPMG, have indicated that a limited liability company, KPMG Audit Plc, is to undertake part of their audit business. Accordingly, a resolution is to be proposed at the annual general meeting for the appointment of KPMG Audit Plc as auditors of the Company.

By order of the board



E Richardson
Secretary

Lex House
17 Connaught Place
London
W2 2EL

18 June 1996

Specialist Cars (SNM) Limited

Statement of 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 profit or loss of the company 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 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 maintaining 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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London EC4Y 8BB

Auditors' report to the members of Specialist Cars (SNM) Limited

We have audited the financial statements on pages 5 to 7.

Respective responsibilities of directors and auditors

As described on page 3 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 the company's affairs as at 31 December 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

18 June 1996

Specialist Cars (SNM) Limited

Profit and loss account

for the financial year ended 31 December 1995

The Company has not traded and has had no income or expenditure during the year ended 31 December 1995 and the preceding financial year, and consequently has made neither a profit or a loss.

There are no recognised gains or losses for either the current or prior year.

Specialist Cars (SNM) Limited

Balance sheet at 31 December 1995

	<i>Note</i>	1995 £000	1994 £000
Current assets			
Debtors due within one year:			
Amounts owed by parent and fellow subsidiary undertakings		1,592	1,592
Net current assets and net assets		1,592	1,592
Capital and reserves			
Share capital	5	50	50
Profit and loss account		1,542	1,542
Total equity shareholders' funds		1,592	1,592

These financial statements were approved by the board of directors on 18 June 1996 and were signed on its behalf by:



NTC Fotherby
Director

Specialist Cars (SNM) Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cashflow statement on the grounds that it is a wholly owned subsidiary undertaking.

2 Emoluments of directors

There were no directors' emoluments during the year (1994: £nil).

3 Auditors' remuneration

Auditors' remuneration was borne by the holding company on a group basis with no recharge to the subsidiary companies.

4 Staff numbers and costs

The Company does not have any employees or related costs (1994: £nil).

5 Share capital

	1995 £000	1994 £000
<i>Authorised</i>		
60,000 ordinary shares of £1 each	<u>60</u>	<u>60</u>
<i>Allotted, called up and fully paid</i>		
50,000 ordinary shares of £1 each	<u>50</u>	<u>50</u>

6 Ultimate parent company and parent undertaking of largest group of which the Company is a member

The Company is a subsidiary undertaking of Lex Service PLC incorporated in Great Britain and registered in England and Wales which is the ultimate parent company.

The consolidated accounts of the group are available to the public and may be obtained from:

Lex House
17 Connaught Place
London
W2 2EL