

FORTE SERVICES HOLDINGS LIMITED
(Registered Number: 940123)

REPORT AND ACCOUNTS

YEAR ENDED 31 JANUARY 1995



FORTE SERVICES HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their Report and Accounts for the year ended 31 January 1995.

PRINCIPAL ACTIVITY

During the year, the Company was an investment holding company. At the year end it had ceased this activity. The Company was formerly known as Forte Airport Services Holdings Limited and changed its name to Forte Services Holdings Limited on 2 February 1994.

TRADING RESULTS

The profit on ordinary activities before taxation for the year was £2,272,291 (1994 - profit £842,887).

DIVIDEND

The Directors do not recommend the payment of a dividend for the year (1994: £nil).

DIRECTORS

The Directors of the Company as at 31 January 1995 were as follows:

JG Edis-Bates
JM Mills
HJ Tautz

P Harrison, DA Main and GFL Proctor resigned as Directors of the Company on 23 March 1994, 30 December 1994 and 30 January 1995 respectively.

JM Mills and HJ Tautz were appointed as Directors of the Company on 30 January 1995.

DIRECTORS' INTERESTS

None of the Directors had a direct interest in the issued share capital of the Company.

The beneficial interests of the Directors in the issued share capital of Forte Plc were as follows:

	At 31 January 1995	At 1 February 1994 (or date of appointment where later)
JG Edis-Bates	1,073	1,053
JM Mills	330	330
HJ Tautz	-	-

The following Directors held share options under the Forte Plc Executive and Savings-Related Share Option Schemes:

	At 31 January 1995	At 1 February 1994 (or date of appointment where later)	Granted	Exercised
JG Edis-Bates	158,545	154,865	3,680	-
JM Mills	35,330	35,330	-	-
HJ Tautz	17,118	17,118	-	-

FORTE SERVICES HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

It is the responsibility of 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 as at the end of the financial year and of the profit or loss for that period.

The Directors consider that, in preparing the financial statements on pages 4 to 8, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, that all accounting standards which they consider to be applicable have been followed and that it is appropriate to use a going concern basis.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors 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.

ELECTIVE RESOLUTIONS

The Company has passed Elective Resolutions to dispense with the laying of the Annual Report and Financial Statements before the Company in General Meeting, the appointment of auditors annually and the holding of Annual General Meetings, pursuant to Sections 252, 386 and 366A respectively of the Companies Act 1985.

By Order of the Board



JM Mills
Secretary

14 July 1995

Registered office:
166 High Holborn
London
WC1V 6TT

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF FORTE SERVICES HOLDINGS LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

Respective responsibilities of Directors and auditors

As described on page 2 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 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 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 January 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

14 July 1995

FORTE SERVICES HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1995**

	<u>1995</u> £	<u>1994</u> £
Income from shares in group undertakings	<u>2,272,291</u>	<u>842,887</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 2)	<u>2,272,291</u>	<u>842,887</u>
Taxation on profit on ordinary activities (Note 3)	<u>(207,726)</u>	<u>(295,077)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION RETAINED (Note 6)	<u><u>2,064,565</u></u>	<u><u>547,810</u></u>

FORTE SERVICES HOLDINGS LIMITED

BALANCE SHEET - 31 JANUARY 1995

	<u>1995</u> £	<u>1994</u> £
FIXED ASSETS		
Investments (Note 4)	-	1,133,888
DEBTORS		
Amounts owed by group undertakings	5,557,243	2,366,208
CREDITORS - Amounts falling due within one year		
Taxation	-	(7,418)
NET CURRENT ASSETS	<u>5,557,243</u>	<u>2,358,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>5,557,243</u>	<u>3,492,678</u>
CAPITAL AND RESERVES		
Called up share capital (Note 5)	2	2
Revaluation reserve (Note 6)	-	667,130
Profit and loss account (Note 6)	<u>5,557,241</u>	<u>2,825,546</u>
	<u>5,557,243</u>	<u>3,492,678</u>

APPROVED BY THE BOARD ON 14 JULY 1995

Hantz V HT
DIRECTOR

FORTE SERVICES HOLDINGS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JANUARY 1995

	<u>1995</u> £	<u>1994</u> £
Profit on ordinary activities after taxation	2,064,565	547,810
Unrealised surplus on revaluation of investments	—	<u>30,661</u>
Total recognised gains and losses for the year	<u>2,064,565</u>	<u>578,471</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 31 JANUARY 1995

	<u>1995</u> £	<u>1994</u> £
Profit on ordinary activities before taxation	2,272,291	842,887
Realisation of investment revaluation gains	<u>667,130</u>	—
Historical cost profit on ordinary activities before taxation	<u>2,939,421</u>	<u>842,887</u>
Historical cost profit for the year after taxation and dividends	<u>2,731,695</u>	<u>547,810</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 JANUARY 1995

	<u>1995</u> £	<u>1994</u> £
Profit on ordinary activities after taxation	2,064,565	547,810
Unrealised surplus on revaluation of investments	—	<u>30,661</u>
Net increase in shareholders' funds	2,064,565	578,471
Opening shareholders' funds	<u>3,492,678</u>	<u>2,914,207</u>
Closing shareholders' funds	<u>5,557,243</u>	<u>3,492,678</u>

FORTE SERVICES HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 31 JANUARY 1995

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Companies Act 1985, as amended by the Companies Act 1989, and applicable Accounting Standards.

(b) Income from shares in group undertakings

Dividends from overseas subsidiary undertakings are dealt with on a received basis, and are accounted for gross of withholding tax suffered.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

None of the directors received any emoluments in respect of their services to the company (1994 - £nil).

The auditors' remuneration has been dealt with in the accounts of another group undertaking.

3 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge based on the profit on ordinary activities is made up as follows:

	<u>1995</u> £	<u>1994</u> £
Corporation tax at 33% (1994 - 33%)	749,856	278,152
Prior year adjustment	-	67
Foreign tax credit	(749,856)	(278,152)
Foreign withholding tax	<u>207,726</u>	<u>295,010</u>
	207,726	295,077
	<u> </u>	<u> </u>

4 FIXED ASSETS - INVESTMENTS

Shares at cost or valuation

At 1 February 1994
Disposals

At 31 January 1995

Subsidiary undertakings £

1,133,888
(1,133,888)

During the year the investments in Holtours Limited and Pegasus Hotels of Guyana Limited were transferred to Forte Holdings Limited, a fellow subsidiary of Forte Plc, for consideration equal to net book value.

FORTE SERVICES HOLDINGS LIMITED

NOTES TO THE ACCOUNTS - 31 JANUARY 1995 (CONTINUED)

5 CALLED UP SHARE CAPITAL

	<u>1995</u> £	<u>1994</u> £
Authorised:		
100 ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>
Issued, allotted and fully paid:		
2 ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

6 RESERVES

	<u>Revaluation</u> <u>reserve</u> £	<u>Profit and</u> <u>loss reserve</u> £	<u>Total</u> £
At 1 February 1994	667,130	2,825,546	3,492,676
Profit for the year	-	2,064,565	2,064,565
Transfer of revaluation surplus realised	<u>(667,130)</u>	<u>667,130</u>	<u> </u>
At 31 January 1995	<u> </u>	<u>5,557,241</u>	<u>5,557,241</u>

7 ULTIMATE PARENT UNDERTAKING

The Company's ultimate undertaking is Forte Plc, which is incorporated in England. Copies of the group financial statements can be obtained at the following address: 166 High Holborn, London WC1V 6TT.