

STERLING GUARDS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31st DECEMBER 1992



STERLING GUARDS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report, together with the accounts for the year ended 31st December, 1992.

Business review

The company has not traded since 30th September, 1990.

Directors:

The following were directors of the company during the year:

D.K.Fasken	(Resigned 06.01.92)
A.J.Senior	
M.M.Darley	
J.D.Stirling Gallacher	(Appointed 6.01.92, resigned 31.07.92)
D.P.Harrison	(Appointed 06.01.92)

The following change has occurred since the year end:

D.P.Harrison	(Resigned 23.03.93)
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The notifiable interests of directors in the stocks of the Peninsular & Oriental Steam Navigation Company, the ultimate holding company, are disclosed in the directors report of Sterling Security Services Ltd.

No director had any interest in any contract with the company during the year.

Post Balance Sheet Events:

On 23 March 1993 Sterling Guards Limited was acquired by Granada Group PLC.

By order to the board

Sterling House
305 -307 Chiswick High Road
London, W4 4HH

23 March 1993

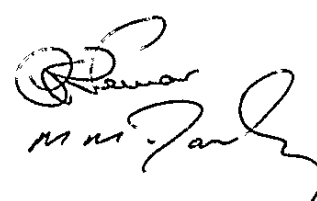

Secretary
M.M.Darley

STERLING GUARDS LIMITED

BALANCE SHEET AT 31st DECEMBER, 1992

	<u>31.12.92</u>	<u>31.12.91</u>
CURRENT ASSET		
Amount due from immediate holding company	£100	£100
	<u>—</u>	<u>—</u>
SHARE CAPITAL		
Authorised:		
Ordinary shares of £1 each	£100	£100
	<u>—</u>	<u>—</u>
Issued and fully paid:		
Ordinary shares of £1 each	£100	£100
	<u>—</u>	<u>—</u>

These were approved by) A.J.Senior
the board of directors on)
23 March 1993.) M.M.Darley



Notes:

1. As at 31 December 1992, the company's ultimate parent company was The Peninsular and Oriental Steam Navigation Company ("P & O"), a company incorporated in England and Wales. Copies of the group accounts may be obtained from Companies House.

On 23 March 1993 a substantial part of the P & O Services Group, of which this company forms a part, was acquired by Granada Group PL a company incorporated in England and Wales. The accounts of the new ultimate parent company can be obtained from The Secretary, Granada Group PLC, 36 Golden Square, London. W1R 4AH.

2. The company has not traded on its own account during the year, has received no income, has incurred no expenditure and consequently has made neither a profit or a loss. Accordingly, no audit report is attached, the company being entitled as a dormant company under the provisions of Section 252 of the Companies Act 1985 to exemption from the requirements of Section 384(1) of the Act.