

**SP TYRES UK
(PENSION TRUSTEES) LIMITED**

REPORT OF THE DIRECTORS AND STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

REGISTRATION NO. 1792066



SP TYRES UK (PENSION TRUSTEES) LIMITED

(A WHOLLY OWNED SUBSIDIARY OF SP TYRES UK LIMITED)

REPORT OF THE DIRECTORS

ACCOUNTS

The directors submit their report and accounts for the year ended 31st December 1996 which are set out on page 4 and were approved by the board on 1st May 1997. No dividend is recommended.

ACTIVITY

During the year the company acted as the trustee and administrator of the SP Tyres UK Limited General Pension Scheme under a Deed of Appointment and Variation dated 4th July 1984. Consequently the company held as nominee for the scheme certain assets and monies at the year end, these assets and monies are included in the account of the scheme. The company has not traded during the year.

DIRECTORS

The following acted as directors during 1996.

D G Powell
J A Fraser
R Cove
D W E Sneddon
P Robson
*R M Cooke
*N Johnston
*J Hann
*K J Aston

* Employee Nominees

AUDITORS

At an Extraordinary General Meeting held on 9th December 1991 it was resolved that, in accordance with the 1985 Companies Act S386, the appointment of Price Waterhouse as auditors should continue without annual re-appointment.

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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 and loss of the company for the 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 keeping 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



on behalf of the Board

R C WHITEHURST
SECRETARY

1st May 1997

Price Waterhouse



AUDITORS' REPORT TO THE SHAREHOLDERS OF SP TYRES UK (PENSION TRUSTEES) LIMITED

We have audited the financial statements on page 4 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

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 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 mis-statement, 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 1996 and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

1 May 1997

SP TYRES UK (PENSION TRUSTEES) LIMITED

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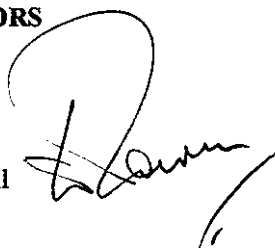
BALANCE SHEET - 31ST DECEMBER 1996

	<u>Note</u>	<u>1996</u>	<u>1995</u>
Called up share capital not paid	1	<u>£2</u>	<u>£2</u>
Called up share capital	1	<u>£2</u>	<u>£2</u>

Approved by the Board of Directors on 1st May 1997 and signed on their behalf.

DIRECTORS

D G Powell



R M Cooke



This company was dormant throughout the financial year within the terms of Section 250 Companies Act 1985.

NOTES TO THE ACCOUNTS - 31ST DECEMBER 1996

1. Authorised share capital :
ordinary shares of £1 each £100

The company has an issued share capital of two shares of £1 neither of which is paid up.

2. None of the directors received any emoluments in respect of their services to the company during the year.
3. The company has no assets and no liabilities.
4. The Company's immediate parent Company is SP Tyres UK Limited a company registered in England. The ultimate parent undertaking is Sumitomo Rubber Industries Limited registered in Japan.

Price Waterhouse



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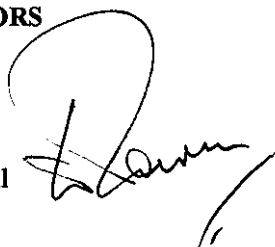
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