

PARC CONTINENTAL LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 1995



PARC CONTINENTAL LIMITED

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is that of a holding company.

RESULTS AND DIVIDENDS

The results of the company for the year are set out in detail on page 5. The directors do not recommend the payment of a dividend (1994 : £Nil). The retained profit for the year of £70,144 (1994 : loss of £295,275) will be transferred to reserves.

CHANGE OF ULTIMATE PARENT

The ultimate parent company is Dresdner Bank AG. On 7 August 1995 Kleinwort Benson Group plc was acquired by Dresdner Investments (UK) plc, a company incorporated in Great Britain and registered in England and Wales. Dresdner Investments (UK) plc is a wholly-owned direct subsidiary of Zenon Beteiligungs GmbH which is itself a wholly-owned direct subsidiary of Dresdner Bank AG.

DIRECTORS AND DIRECTORS' INTERESTS

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

J D L Baird
S A Jack

M R Forrest resigned on 15 February 1995.

The disclosable interests of J D L Baird and S A Jack in the shares, options and debentures of group companies are shown in the directors' report of Kleinwort Benson Limited.

None of the directors had any other disclosable interests in the shares or debentures of any group company. The directors are exempt from disclosing their interests in the shares or debentures of the ultimate parent company, Dresdner Bank AG, as it is incorporated outside the UK.

AUDITORS

On 1 February 1996 the auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report in their new name. Deloitte & Touche have indicated their intention to resign as auditors of the company following the approval of the report and accounts for the year ended 31 December 1995. At that time the directors will appoint Coopers & Lybrand as auditors of the company.

PARC CONTINENTAL LIMITED

DIRECTORS' REPORT

AUDITORS (continued)

The company has passed an elective resolution in accordance with section 379A of the Companies Act 1985 to dispense with the annual appointment of the auditors; accordingly once appointed by the directors, Coopers & Lybrand will remain in office.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in dark ink, appearing to be 'L E Young', written in a cursive style.

L E Young
Secretary

29 March 1996

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 as at the end of the financial year 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;
- 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.

PARC CONTINENTAL LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 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.

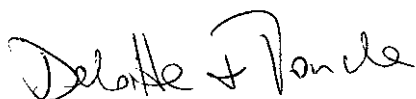
Basis of opinion

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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants
and Registered Auditors

Stonecutter Court
1 Stonecutter Street
London
EC4A 4TR

29 March 1996

PARC CONTINENTAL LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 1995

	Note	1995 £	1994 £
Interest receivable from subsidiary undertakings		8,627	7,769
Interest payable to parent undertaking		-	(2,163)
Provision against investment in subsidiary undertakings		(5,971)	(251,498)
Provision against amounts due from subsidiary undertakings		52,493	(52,493)
Profit/(Loss) on sale of subsidiary undertaking		-	(1,736)
Other Income		2,003	-
Exchange gain		15,839	6,696
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		72,991	(293,425)
Tax charge	2	2,847	1,850
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		70,144	(295,275)
		<hr/>	<hr/>

There are no recognised gains or losses for the year or the previous year other than the profit/(loss) on ordinary activities after taxation disclosed above. Accordingly no statement of total recognised gains and losses is given.

All amounts shown above derive from continuing activities.

A statement showing the movement in the profit and loss account reserve is set out in note 7 on page 10.

The notes on pages 7 to 10 form an integral part of these accounts.

PARC CONTINENTAL LIMITED

BALANCE SHEET
as at 31 December 1995

	Note	1995 £	1994 £
FIXED ASSETS			
Investment in subsidiary undertakings	3	43,332	49,303
CURRENT ASSETS			
Debtors - amounts repayable within one year	4	322,155	245,043
CREDITORS: amounts falling due within one year	5	(72,925)	(71,928)
NET CURRENT ASSETS		249,230	173,115
TOTAL ASSETS LESS CURRENT LIABILITIES		292,562	222,418
CAPITAL AND RESERVES			
Called up share capital	6	4,507,902	4,507,902
Profit and loss account	7	(4,215,340)	(4,285,484)
EQUITY SHAREHOLDERS' FUNDS		292,562	222,418

These financial statements were approved by the Board of Directors on 29th March 1996

Signed on behalf of the Board of Directors

Stephen A. Jack

S.A. JACK - DIRECTOR

The notes on pages 7 to 10 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 1995

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

In accordance with Section 228(1) of the Companies Act 1985, group accounts have not been prepared as the company is itself a wholly owned subsidiary of Parc International Limited, a company incorporated in Great Britain and registered in England and Wales. The company's subsidiary undertakings are consolidated in the accounts of Dresdner Bank AG, the ultimate parent company.

Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Any translation differences which arise are dealt with in the profit and loss account.

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements, to the extent that it is probable that a liability or asset will crystallise in the future.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated in the balance sheet at cost, less provisions for any permanent diminution in value.

Administrative expenses

Costs of administration are borne by the parent company. These include the remuneration of the auditors. None of the directors received any emoluments in respect of services to the company.

PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31 December 1995

2. TAX CHARGE

	1995 £	1994 £
Taxation is based on the profit/(loss) for the year and comprises:-		
Group relief payable at 33% of taxable profit (1994-33%)	2,847	1,850
	<u> </u>	<u> </u>

The tax charge does not reflect the profits/losses arising due to income/expenditure included in the profit and loss account which is not allowable for tax purposes.

3. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	£
COST	
1 January 1995	3,064,852
Additions	-
Disposals	-
	<u> </u>
31 December 1995	3,064,852
	<u> </u>
PROVISION FOR DIMINUTION IN VALUE	
1 January 1995	3,015,549
Charged in the year	5,971
Disposals	-
	<u> </u>
31 December 1995	3,021,520
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NET BOOK VALUE	
31 December 1995	43,332
	<u> </u>
31 December 1994	49,303
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PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS **31 December 1995**

3. INVESTMENT IN SUBSIDIARY UNDERTAKINGS (continued)

The company holds, directly or indirectly, the entire share capital of the following subsidiaries, the majority of which are engaged in the business of providing equipment hire services.

Parctec Mietprogramme GmbH	Austria
KBPM SA	France
Parc GmbH	Germany
CERL (Hong Kong) Limited	Hong Kong
Southash Limited	Jersey
Edinburgh House Limited	Great Britain
	(registered in England and Wales)

	1995 £	1994 £
4. DEBTORS: amounts repayable within one year		
Amounts owed by subsidiary undertakings	322,155	297,536
Less: Provision	-	(52,493)
	<hr/>	<hr/>
	322,155	245,043
	<hr/>	<hr/>
5. CREDITORS: amounts falling due within one year		
Group relief payable	72,925	71,928
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PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 December 1995

6. CALLED UP SHARE CAPITAL

	1995 £	1994 £
Authorised: 5,000,000 ordinary shares of £1 each	5,000,000	5,000,000
	<hr/>	<hr/>
Allotted and fully paid 4,507,902 ordinary shares of £1 each	4,507,902	4,507,902
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7. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Issued share capital 1995 £	Profit & loss account 1995 £	Total 1995 £	Total 1994 £
1 January 1995	4,507,902	(4,285,484)	222,418	517,693
Profit/(Loss) attributable to members of the company	-	70,144	70,144	(295,275)
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At 31 December 1995	4,507,902	(4,215,340)	292,562	222,418
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8. ULTIMATE PARENT UNDERTAKING

From 7 August 1995, the ultimate parent undertaking is Dresdner Bank AG, a company incorporated in Germany. Prior to this date, the ultimate parent undertaking was Kleinwort Benson Group plc, a company incorporated in Great Britain and registered in England and Wales. The accounts of the ultimate parent company, Dresdner Bank AG, will be filed in due course at the Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

9. CASH FLOW STATEMENT

The Company has no cash flows of its own. All cash transactions are undertaken on the Company's behalf by Kleinwort Benson Programme Management Limited and recorded in intercompany accounts. Accordingly no cash flow statement has been included.