

LENS LIMITED

BALANCE SHEET

AND

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1995



Registered No. 2719478

LPNS Limited

Contents

	<u>Page</u>
Directors, Officers and Advisers	1
Report of the Directors	2 & 3
Report of the Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Accounts	7 to 13

LPNS Limited

Directors, Officers and Advisers

Directors

L M Bennett
M Miffling
D P Nichol
S George-Jones
D B Davies

Secretary and Registered Office

D P Nichol
Manpower House
272 High Street
Slough
Berkshire
SL1 1LJ

Auditors

Arthur Andersen
Chartered Accountants
and Registered Auditors
Abbots House
Abbey Street
Reading
RG1 3BD

Bankers

National Westminster Bank plc
Slough East Branch
258 High Street
Slough
Berkshire
SL1 1JX

LPNS Limited

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 December 1995.

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 year. 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;
- follow applicable accounting standards, 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 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.

Review of business activities and future development

The principal activity of the Company throughout the year was that of carrying out nursing and care assistance assignments for clients. The trading performance of the Company during the year was satisfactory.

The directors believe that the Company is well placed to benefit from the demand for its services.

Results and dividends

The results for the year are set out in the profit and loss account on page 5 and the accompanying notes.

The directors do not propose the payment of a dividend.

Directors and their interests

L M Bennett, M Miffling and M J Scott held office as directors throughout the year.

On 1 February 1995, S George-Jones and D B Davies were appointed as directors.

On 2 January 1996, M J Scott resigned and D P Nichol was appointed as a director.

LPNS Limited

Report of the Directors

Directors and their interests (continued)

The directors who held office at 31 December 1995, had no beneficial interests in the shares of the Company or its holding companies that require disclosure.

None of the directors had a material interest in any contract entered into by the Company during the year under review.

Fixed assets

Details of tangible fixed assets are set out in note 4 to the accounts.

Employment policy

The policy of the Company is to give full and fair consideration to applications for employment received from disabled persons having regard to their particular aptitudes and abilities. Employees who become unable to carry out their duties are given individual consideration. Disabled employees may be eligible for special training.

Special emphasis is placed on training of staff and a full range of internally organised training courses are provided for this purpose.

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

18 June 1996



By Order of the Board

D P Nichol

Secretary

LPNS Limited

Report of the Auditors to the Members

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

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 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 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.

Abbots House
Abbey Street
Reading
RG1 3BD

18 June 1996



Arthur Andersen
Chartered Accountants
and Registered Auditors

LPNS Limited

Profit and Loss Account

For the year ended 31 December 1995

	<u>Notes</u>	<u>Year ended</u> <u>31.12.95</u> £	<u>15.2.94</u> <u>to</u> <u>31.12.94</u> £
Turnover	1	<u>26,409,917</u>	<u>20,655,875</u>
Profit on ordinary activities before taxation	2	113,946	293
Tax on profit on ordinary activities	3	<u>37,602</u>	<u>9,500</u>
Profit/(loss) on ordinary activities after taxation transferred to reserves		<u>76,344</u>	<u>(9,207)</u>

A statement of movements on reserves is given in note 8.

The Company has no recognised gains or losses in either period, other than the profit/(loss) for the financial period.

The notes on pages 7 to 13 form an integral part of these accounts.

LPNS Limited

Balance Sheet

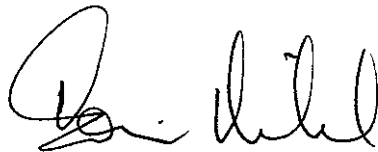
As at 31 December 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
Fixed assets			
Tangible	4	37,550	48,952
Current assets			
Cash at bank and in hand		358,987	675,000
Debtors - amounts falling due within one year	5	2,691,602	2,655,428
		3,050,589	3,330,428
Creditors - amounts falling due within one year	6	1,967,180	2,334,765
Net current assets		1,083,409	995,663
Total assets less current liabilities		1,120,959	1,044,615
Capital and reserves			
Called up share capital	7	1,000,000	1,000,000
Profit and loss account	8	120,959	44,615
		1,120,959	1,044,615

The notes on pages 7 to 13 form an integral part of these accounts.

Approved by board resolution on 18 June 1996.

D P NICHOL



- DIRECTOR

LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

1. Accounting policies

Basis of accounts preparation

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Comparative figures

The comparative figures are for the period 15 February 1994 to 31 December 1994.

Cash flow statement

As permitted by paragraph 8c of Financial Reporting Standard 1 Cash Flow Statements, the Company has not prepared a cash flow statement. The cash flows of the Company are included in the consolidated cash flow statement which appears in the consolidated accounts of its immediate parent company, Manpower PLC (see note 11).

Turnover

Turnover represents the invoiced value of services rendered, exclusive of credits and value added tax and is derived entirely in the United Kingdom from the principal activity.

Depreciation

Tangible fixed assets are depreciated over their anticipated useful lives, using the straight line method, at the following rates:-

Leasehold properties	Over period of the lease
Plant, equipment and furniture	12.5% - 20%

Doubtful debts

Specific provisions are made dependent on the age of the debt and the directors' opinion as to the recoverability of the debt.

Leases

Rentals paid under operating leases are charged against profits in the period in which they are incurred.

Pensions

It is the policy of the Company to fund pension liabilities on the advice of external actuaries, by payments to an independent trust. Independent actuarial valuations on a going concern basis are carried out every three years.

LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

1. Accounting policies (continued)

Pensions (continued)

The amount charged to the profit and loss account is calculated so as to produce a substantially level percentage of the current and future pensionable payroll. Variations from regular costs are allocated to profit and loss account over a period not exceeding employees' average remaining service lives.

Deferred taxation

Deferred taxation is provided on material timing differences when, in the opinion of the directors, there is a reasonable probability of a liability arising in the foreseeable future.

2. Operating results

Comprise:

	Year ended 31.12.95 £	15.2.94 to 31.12.94 £
Turnover	26,409,917	20,655,875
Cost of sales	23,650,502	18,239,444
Gross profit	2,759,415	2,416,431
Administration expenses	2,645,469	2,416,138
Profit on ordinary activities before taxation	113,946	293

and are after charging:-

Depreciation	15,415	43,053
Auditors' remuneration	9,000	5,250
Property rentals	130,512	46,689
Hire of plant and equipment	39,134	23,177
Bank overdraft interest	2,928	10,136
Staff costs	1,467,513	1,627,259
Directors' remuneration	51,397	-

LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

2. <u>Operating results</u> - (continued)	Year ended <u>31.12.95</u> £	15.2.94 to <u>31.12.94</u> £
and after crediting:-		
Bank interest receivable	<u>20,590</u>	<u>2,361</u>
Staff costs (excluding directors):		
Salaries	1,372,683	1,503,134
Social security costs	74,144	108,224
Pension costs	<u>20,686</u>	<u>15,901</u>
	<u>1,467,513</u>	<u>1,627,259</u>
The average number of persons employed full-time by the Company during the period, excluding directors, was:	<u>Nos</u>	<u>Nos</u>
Branch and administrative staff	<u>101</u>	<u>109</u>
Directors' remuneration, excluding pension contributions:	£	£
Highest paid director	<u>49,028</u>	<u>-</u>
Directors remuneration including the highest paid director was within the ranges:	<u>Nos</u>	<u>Nos</u>
£0 - 5,000	4	4
£45,001 - 50,000	<u>1</u>	<u>-</u>

LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

3. <u>Taxation</u>	Year ended <u>31.12.95</u> £	15.2.94 to <u>31.12.94</u> £
Comprises UK corporation tax calculated at the rate of 33% (1994 - 33%) in respect of:-		
Current taxation	37,602	7,500
Underprovision in prior period	-	2,000
	<u>37,602</u>	<u>9,500</u>

4. <u>Tangible fixed assets</u>	<u>Leasehold Properties</u> £	<u>Furniture and equipment</u> £	<u>Total</u> £
Cost			
At 1 January 1995	15,812	76,193	92,005
Additions	-	4,013	4,013
	<hr/>		
At 31 December 1995	15,812	80,206	96,018
Depreciation			
At 1 January 1995	1,215	41,838	43,053
Charge for the year	4,905	10,510	15,415
	<hr/>		
At 31 December 1995	6,120	52,348	58,468
Net book value			
At 31 December 1995	9,692	27,858	37,550
	<hr/>		
At 31 December 1994	14,597	34,355	48,952
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LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

5. <u>Debtors</u>	<u>1995</u> £	<u>1994</u> £
Amounts falling due within one year:		
Trade debtors	2,630,858	2,579,693
Sundry debtors and prepayments	60,744	75,735
	<u>2,691,602</u>	<u>2,655,428</u>
6. <u>Creditors</u>		
Amounts falling due within one year:		
Bank overdraft (secured)	-	12,837
Trade creditors	163,239	182,464
Salaries and wages	577,813	483,385
Amounts due to group undertakings	149,863	102,154
Corporation tax	39,517	46,950
Other taxes and social security	766,980	1,381,437
Sundry creditors and accruals	269,768	125,538
	<u>1,967,180</u>	<u>2,334,765</u>

At 31 December 1994, the bank overdraft of £12,837 was secured by way of a fixed and floating charge over the assets of the Company. The charge was released on 26 April 1995.

7. Share capital

Authorised:

1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
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Allotted, called up and fully paid:

1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
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LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

	<u>1995</u> £	<u>1994</u> £
8. <u>Profit and loss account</u>		
Balance at 1 January 1995	44,615	53,822
Transfer for the year	76,344	(9,207)
	<hr/>	<hr/>
Balance at 31 December 1995	120,959	44,615
	<hr/>	<hr/>
	<u>1995</u> £	<u>1994</u> £
9. <u>Reconciliation of movement in shareholders' funds</u>		
Profit/(loss) for the financial period	76,344	(9,207)
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	76,344	(9,207)
Opening shareholders' funds	1,044,615	1,053,822
	<hr/>	<hr/>
Closing shareholders' funds	1,120,959	1,044,615
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10. Commitments

Pension commitments

The Company is party to a group defined benefit scheme, operated by its immediate parent company Manpower PLC, with assets held in a separate trustee administered fund.

The group scheme, which covers the majority of UK employees, was reviewed at 31 March 1994 by a professionally qualified actuary using the "Projected Unit Method" of valuation. The assumptions which have the most significant effect on the results of the valuation of the scheme are those relating to the return on investments and the rates of increase on salaries and pensions. It was assumed that, over the long term, the annual rate of return on investments would be 9.0% per annum and the increase in total pensionable remuneration would be 7.5% per annum. At the date of the last actuarial valuation, the market value of the assets of the scheme was £10,033,000 and the actuarial value of the assets was sufficient to cover 111% of the benefits that had accrued to members after allowing for expected future increases in earnings. The pension costs of the Company under the scheme were £23,055 (1994 - £15,901).

LPNS Limited

Notes to the Accounts

For the year ended 31 December 1995

11. Ultimate holding company

The Company is a subsidiary undertaking of Manpower Inc., a company incorporated in the United States of America.

The largest group in which the results of LPNS Limited are consolidated is that headed by Manpower Inc., whose principal place of business is at 5301 North Ironwood Road, Milwaukee, Wisconsin 53201, USA. The consolidated accounts of this group are available to the public and may be obtained from the above address.

The smallest group in which the results of LPNS Limited are consolidated is that headed by Manpower PLC, a company registered in England and Wales, whose principal place of business is at Manpower House, 272 High Street, Slough, Berks SL1 1LJ. The consolidated accounts of this group are available to the public and may be obtained from Companies House.