

L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Directors' report and financial statements

30 November 1994

Registered number 2873071



L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Directors' report and financial statements

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L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Directors' Report

The Directors present their report and the audited financial statements for the period from the Company's incorporation on 18 November 1993 to its first financial period ended on 30 November 1994, during which period the Company did not trade.

The Company was incorporated under the name Alnery No. 1323 Limited and adopted its present name on 4 March 1994.

Principal Activity

The Company is a holding company whose only activity is to hold shares in its subsidiary, LGS Investments plc, which is an investment company, and which did not trade during the period covered by these accounts.

Results and Dividends

The Company did not trade during the period and neither received any income nor incurred any expenses.

Directors and directors' interests

The directors who held office during the period together with subsequent changes were as follows

Alnery Incorporations No.1 Limited (appointed 18 November 1993; resigned 23 February 1994)

Alnery Incorporations No. 2 Limited (appointed 18 November 1993; resigned 23 February 1994)

Mr A F Raikes (appointed 16 February 1994; resigned 6 April 1995)

Mr M A Lydon (appointed 16 February 1994; resigned 6 April 1995)

Mr G I Lane (appointed 16 February 1994; resigned 6 April 1995)

SPV Management Limited (appointed 6 April 1995)

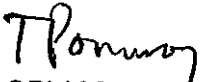
Mr T Pomeroy (appointed 6 April 1995)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



SPV Management Limited
Secretary

78 Cannon Street
London EC4P 5LN
18 October 1995

L.G.S. INVESTMENTS (HOLDINGS) LIMITED

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 the Group and of the profit or loss 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, 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 and the Group will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

Auditors' report to the members of L.G.S. Investments (Holdings) Limited

We have audited the financial statements on pages 5 to 8.

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 Group'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 affairs of the Company and the Group as at 30 November 1994 and of the profit of the Group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG

Chartered Accountants

Registered Auditors

18 October 1995

L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Consolidated Profit and Loss Account

for the period from 18 November 1993 to 30 November 1994

During the financial period the Group did not trade and received no income and incurred no expenditure. Consequently during this period, the Group made neither a profit nor a loss.

Reconciliation of movements in shareholders' funds

for the period ended 30 November 1994

	1994
	£
New share capital subscribed	1
	—
Net addition to shareholders' funds	1
Opening shareholders' funds	-
	—
Closing shareholders' funds	1
	—

There were no gains or losses during the period

L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Consolidated Balance Sheet

at 30 November 1994

<u>Current Assets</u>	Note	1994 £
Called up share capital not paid		1
<u>Net Assets</u>		1 ===
<u>Capital and Reserves</u>		
Called up share capital	4	1 ===

These Accounts were approved by the Board of Directors on 18 October 1995 and signed on their behalf by

A F Raikes for and on behalf of SPV Management Limited



L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Balance Sheet

at 30 November 1994

<u>Current Assets</u>	Note	1994 £
Investment in subsidiary not paid	5	12,500
Called up share Capital not paid		1
<u>Current Liabilities</u>		
Obligation to pay in capital to subsidiary		12,500
<u>Net Assets</u>		1
		=====
<u>Capital and Reserves</u>		
Called up share capital	4	1
		=====

These Accounts were approved by the Board of Directors on 18 October 1995 and signed on their behalf by :

A F Raikes for and on behalf of SPV Management Limited



L.G.S. INVESTMENTS (HOLDINGS) LIMITED

Notes to the Accounts for the period ended 30 November 1994 (forming part of the financial statements)

1. Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

2. Consolidated Cash Flow Statement

During the financial period the Group had no cash inflows or outflows and hence a Cash Flow Statement has not been provided.

3. Remuneration of directors

None of the directors received remuneration for their services to the Group

4. Share Capital

Authorised :	£
100 ordinary shares of £1	100
	=====
Alotted and called up :	
One ordinary share of £1, called up as to 100 per cent	1
	=====
Paid	-
	=====

5. Post Balance Sheet Event

Subsequent to 30 November 1994 the Company borrowed £12,500 and paid up in full its investment in the shares of its subsidiary, which then commenced trading.

6. The year-end of the subsidiary L.G.S. Investments PLC is non-coterminous with that of the holding company. Accordingly interim audited accounts have been used in the consolidation of the Group.