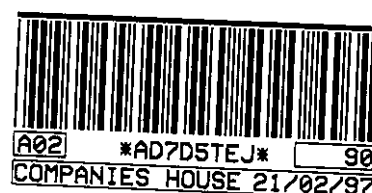


Bond Pearce (Resources)
(an unlimited company
having a share capital)

Directors' report and financial statements

For the year ended 30 April 1996

Registered number: 2971095



Bond Pearce (Resources)

Directors' report and financial statements

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Bond Pearce (Resources)

Directors' report

The directors present their report and the audited financial statements for the year ended 30 April 1996.

Status, incorporation and principal activities

The company is an unlimited company having a share capital. The sole activity of the company is the provision of services to Bond Pearce (a partnership) through the employment of staff occupied in the business of the partnership. Trading commenced on 1 May 1995 when contracts of employment for the staff involved were assumed by the company from the partnership.

Directors and directors' interests

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

R Challands
JL Crownshaw
DJ Gunn
BD Starks
JER Trahair

All directors, except JL Crownshaw, are registered as having held one ordinary share of £1 each in the company throughout the year; these are held in trust for Bond Pearce in which the directors were partners. By virtue of their position as partners, the directors are deemed to be interested in the company's contract for the provision of staff services.

According to the register of directors' interests no rights to subscribe for shares in the company were granted to any of the directors' or their immediate families, or exercised by them, during the financial year.

Dividends

No dividend is proposed.

Employees

Every effort is made to ensure that there is no discrimination, direct or indirect, in any human resource policies or actions. Employees who become disabled will, whenever possible, be retained in employment; those who become unable to work are entitled to continuing payment of a proportion of their previous salary for up to one year and, at the employer's discretion, to long term sickness benefit thereafter.

Considerable emphasis is placed on effective communication with staff. Opinions of staff are obtained periodically through staff opinions surveys. Staff are involved in team meetings on a regular basis and are given information about their business area, including its business objectives and performance. Suggestions are sought from staff on how to improve business processes and service to clients, both informally and through formal quality improvement programmes. A range of documentation is produced regularly and distributed to all staff, both through electronic mail and in print.

Bond Pearce (Resources)

Report of the Directors (*continued*)

In discharging the employer's obligations under the Health and Safety at Work Act 1974, commitments have been made to:

- ensure the health, safety and welfare of employees by providing them with the necessary information, instruction, training and supervision;
- ensure that the premises, plant, facilities, systems of work and environment are safe and without risks to health;
- ensure that arrangements for using, handling, storing and transporting articles and substances are safe and without risks to health;
- distribute a written statement of the health and safety policy to all employees, revising it when necessary.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors is to be proposed at the forthcoming Annual General Meeting.

By order of the board:

R. Challands

R Challands
Director

Ballard House
West Hoe Road
Plymouth

Bond Pearce (Resources)

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 for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Phoenix House
Notte Street
Plymouth
Devon PL1 2RT

Auditors' report to the members of Bond Pearce (Resources)

We have audited the financial statements on pages 5 to 9.

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 company's affairs as at 30 April 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

20 February 1997

KPMG
Chartered Accountants
Registered Auditors



Bond Pearce (Resources)

Profit and loss account for the year ended 30 April 1996

	Notes	Year ended 30 April 1996 £	Period ended 30 April 1995 £
Turnover		4,869,130	-
Staff costs	3	(4,864,719)	-
Other operating charges:			
Auditors' remuneration for audit work		(650)	-
Other legal and professional fees		(2,350)	-
Operating profit on ordinary activities before taxation		1,411	-
Tax on profit on ordinary activities:			
UK corporation tax at 24% on the profit for the year		(339)	-
Profit for the financial year		1,072	-

There were no acquisitions or discontinued operations within the company during 1996 and 1995.

The company has no recognised gains or losses in either 1996 or 1995 other than the result for these years.

Bond Pearce (Resources)

Balance sheet

At 30 April 1996

	Notes	1996 £	1995 £
Current assets			
Debtors	4	322,820	4
Creditors: amounts falling due within one year	5	(321,744)	-
		<hr/>	<hr/>
Net assets		1,076	4
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	4	4
Profit and loss account		1,072	-
		<hr/>	<hr/>
Equity shareholders' funds	8	1,076	4
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 20/2/1997 and were signed on its behalf by:

R. Challands

R Challands
Director

Bond Pearce (Resources)

Cash flow statement

For the year ended 30 April 1996

	Year ended 30 April 1996 £	Period ended 30 April 1995 £
Operating profit for the year	1,411	-
Decrease/(increase) in working capital		-
Debtors	(322,816)	-
Creditors	321,405	-
	<hr/>	<hr/>
Net cash flow from operations	-	-
	<hr/>	<hr/>

Bond Pearce (Resources)

Notes

1 Accounting policies

Basis of accounting

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

Turnover

The turnover of the company represents charges to Bond Pearce, a partnership, for the provision of services and is stated exclusive of VAT.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

2 Remuneration of directors

	Year ended 30 April 1996 £	Period ended 30 April 1995 £
Directors' emoluments (as directors)	<u>66,968</u>	<u>-</u>

The emoluments of the highest paid director (who is also the chairman) excluding pension contributions were £62,608 (1995: £nil).

The emoluments, excluding pension contributions, of the directors (including the highest paid director) were within the following ranges:

	Number of directors	
	Year ended 30 April 1996	Period ended 30 April 1995
£0 - £5,000	4	5
£60,001 - £65,000	<u>1</u>	<u>-</u>

3 Staff costs and numbers

	Year ended 30 April 1996	Period ended 30 April 1995
Staff costs include:		
Wages and salaries	4,403,213	-
Social security costs	417,946	-
Other pension costs (see note 7)	43,560	-
	<u>4,864,719</u>	<u>-</u>
	Numbers	Numbers
Average numbers employed by the company (including directors) during the year were:		
Client service staff	101	5
Administrative and support staff	<u>154</u>	<u>-</u>

Bond Pearce (Resources)

Notes(continued)

4 Debtors

	1996 £	1995 £
Due within one year		
Trade debtors: amounts receivable from Bond Pearce	<u>322,820</u>	<u>4</u>

5 Creditors: amounts falling due within one year

	1996 £	1995 £
Value Added Tax	232,572	-
Corporation tax	339	-
Accruals	<u>88,833</u>	<u>-</u>
	<u>321,744</u>	<u>-</u>

6 Called up share capital

	1996 £	1995 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted and called up</i>		
Ordinary shares of £1 each	<u>4</u>	<u>4</u>

7 Pensions

The company operates a defined contribution pension scheme. The pension cost for the period represents contributions payable by the company to the fund and amounted to £43,560 (1995: £nil).

8 Reconciliation of movements in equity shareholders' funds

	1996 £	1995 £
Profit for the financial year	1,072	-
Issue of share capital on incorporation	-	4
Opening shareholders' funds	<u>4</u>	<u>-</u>
Closing shareholders' funds	<u>1,076</u>	<u>4</u>

9 Ultimate parent undertaking

The company is wholly owned by Bond Pearce, a partnership.