

DH EMPLOYMENT SERVICES LIMITED

Report and Financial Statements

Year ended 31 March 2000

**Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR**



REPORT AND FINANCIAL STATEMENTS 2000

CONTENTS	Page
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Reconciliation of movements in shareholders' funds	6
Notes to the accounts	7

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2000.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of employment services for Denton Hall Services (UK) Limited.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year and to date were as follows:

DWS Directors Limited (formerly known as DH & B Directors Limited)

DWS Managers Limited (formerly known as DH & B Managers Limited)

The directors held no interests in the shares of the company or any other group company during the year.

SMALL COMPANY EXEMPTION

This report has been prepared in accordance with the special provisions relating to small companies under Section 246 of the Companies Act 1985.

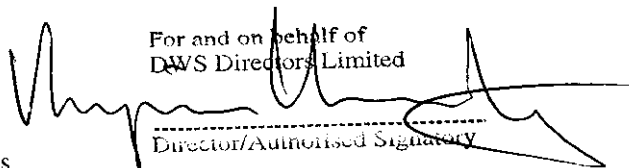
AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

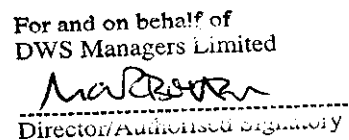
Approved by the Board of Directors
and signed on behalf of the Board

DWS Directors Limited)
)
DWS Managers Limited)

Directors

For and on behalf of
DWS Directors Limited

Director/Authorised Signatory

11 - 2 - 2002

For and on behalf of
DWS Managers Limited

Director/Authorised Signatory

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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; and
- prepare the financial statements on a 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DH EMPLOYMENT SERVICES LIMITED

We have audited the financial statements of D H Employment Services Limited for the year ended 31 March 2000 which comprise the profit and loss account, the balance sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

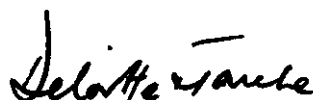
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Deloitte & Touche

Chartered Accountants and Registered Auditors

11 February 2002

PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2000

	Note	2000 £	1999 £
TURNOVER	1	354,653	266,383
Administrative expenses		(341,013)	(257,515)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	13,640	8,868
Tax on profit on ordinary activities	3	(2,728)	(1,862)
PROFIT FOR THE FINANCIAL YEAR		10,912	7,006
Equity dividends	5	(11,100)	(6,800)
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR		(188)	206
Profit and loss account brought forward		229	23
Profit and loss account carried forward		41	229

All activities derive from continuing operations.

There are no recognised gains or losses other than the profit for the current and preceding financial years and accordingly no statement of total recognised gains and losses is shown.

BALANCE SHEET
At 31 March 2000

	Note	2000 £	1999 £
CURRENT ASSETS			
Debtors	6	788,361	462,753
Called up share capital not paid	8	2	2
		<u>788,363</u>	<u>462,755</u>
CREDITORS: amounts falling due within one year			
	7	<u>(788,320)</u>	<u>(462,524)</u>
NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>43</u>	<u>231</u>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account		<u>41</u>	<u>229</u>
EQUITY SHAREHOLDERS' FUNDS			
		<u>43</u>	<u>231</u>

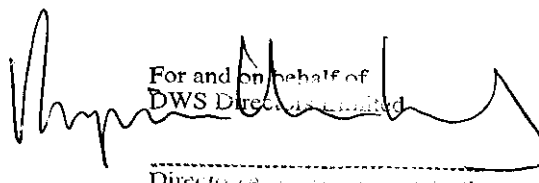
These accounts have been prepared in accordance with the special provisions relating to small companies under Section 246 of the Companies Act 1985.

These financial statements were approved by the Board of Directors on 11 February 2002.


Signed on behalf of the Board of Directors

DWS Directors Limited)
DWS Managers Limited)

Directors

For and on behalf of
DWS Directors Limited

Director/Authorised Signatory

For and on behalf of
DWS Managers Limited


Director/Authorised Signatory

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
For the year ended 31 March 2000

	2000 £	1999 £
Profit for the year	10,912	7,006
Dividends	(11,100)	(6,800)
Net (decrease)/increase in shareholders' funds	(188)	206
Opening shareholders' funds	231	25
Closing shareholders' funds	43	231

NOTES TO THE ACCOUNTS

For the year ended 31 March 2000

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 and stated in pounds sterling.

Turnover

Turnover comprises the amount receivable for employment services provided to Denton Hall Services (UK) Limited.

Foreign exchange

Transactions denominated in currencies other than pounds sterling are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than pounds sterling at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2000 £	1999 £
Profit on ordinary activities before taxation is arrived at after charging:		
Auditors' remuneration – audit services	2,500	2,500

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000 £	1999 £
UK corporation tax at 20% (1999: 21%)	2,728	1,862

4. EMPLOYEES AND DIRECTORS

	2000 No.	1999 No.
The aggregate number employed by the company was:	2	1
The costs incurred in respect of these employees were:		
Wages and salaries	253,846	245,395
Social security costs	67,219	43,298
	321,065	288,693

No remuneration was paid to directors in respect of services to the company for the year (1999: £nil).

5. EQUITY DIVIDENDS

	2000 £	1999 £
Proposed ordinary dividend on equity shares (£5,550 per ordinary share; 1999: £3,400 per ordinary share)	11,100	6,800

NOTES TO THE ACCOUNTS
For the year ended 31 March 2000

6. DEBTORS

	2000 £	1999 £
Amounts owed by group undertakings	753,756	443,409
ACT recoverable	2,350	2,350
Prepayments and accrued income	32,255	16,994
	<u>788,361</u>	<u>462,753</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Amounts owed to group undertakings	711,608	406,470
Corporation tax	5,287	2,559
ACT payable	2,350	2,350
Dividend proposed	20,500	9,400
Accruals	48,575	41,745
	<u>788,320</u>	<u>462,524</u>

8. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Called up, allotted, issued at par on incorporation and not paid:		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

9. RELATED PARTY TRANSACTIONS

During the year a management charge of £260,724 was levied on Denton Hall Services UK Limited for employment services rendered. £49,623 was levied on Denton Hall Valdez Krug Co. Ltd for employment services rendered and £44,306 were accrued to Denton Wilde Sapte for employment services rendered.

	2000 £	1999 £
Debtor		
Balance at 31 March		
Owed by Denton Hall Services UK Limited	704,133	443,409
Owed by Denton Hall Valdez Krug Co. Ltd	49,623	-
	<u>753,756</u>	<u>443,409</u>
Creditor		
Balance at 31 March		
Owed to Denton Wilde Sapte, a partnership	711,608	406,470
	<u>711,608</u>	<u>406,470</u>

10. ULTIMATE CONTROLLING UNDERTAKING

From 1 February 2000 DH Employment Services Limited has been controlled by Denton Wilde Sapte, a UK Partnership. Prior to this date the company was controlled by Denton Hall, a UK Partnership.