

Chart Services Limited

Directors' report and financial statements

26 December 1999

Registered number 66722

Registered Office

Lombard House
Minerva Way
Glasgow
G3 8AY



Report and financial statements

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Directors and secretary

Directors

DM Smith

PR Harris (appointed 31 December 1998)

AK Simpson (resigned 31 December 1998)

Secretary

E I R Jonsson

Directors' report

The directors have pleasure in submitting their report and financial statements for the year ended 26 December 1999.

Principal activity

The company did not trade during the year and the board has no plans at present to recommence trading.

Directors

The directors who served during the year are as shown on page 1.

Directors' interests

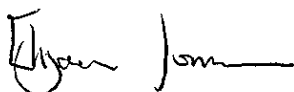
None of the persons who were directors as at 26 December 1999 had any interest in the shares of the company.

All of the directors at the year end were also directors of the immediate parent undertaking, Lex Transfleet Limited. None of the persons who were directors as at 26 December 1999 had any interest in the shares of Lex Transfleet Limited, or of any of its subsidiaries.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditor to the company is to be proposed at the forthcoming Extraordinary General Meeting.

By order of the board



E I R Jonsson
Secretary

19 October 2000

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 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; and
- 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 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.

Auditor's report to the members of Chart Services Limited

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

Respective responsibilities of directors and auditor

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. We also report to you 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.

Basis of audit 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 affairs of the Company as at 26 December 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

23.10.00

KPMG Audit Plc
Chartered Accountants
Registered Auditor

2 Cornwall Street
Birmingham
B3 2DL

Profit and loss account
for the year ended 26 December 1999

	<i>Note</i>	1999 Continuing operations £000	1998 Continuing operations £000
Amounts provided against investments		-	(598)
Profit/(loss) for the financial year	5	-	(598)

There are no recognised gains or losses other than those passing through the above profit and loss account.

The notes on pages 7 to 9 form part of these financial statements.

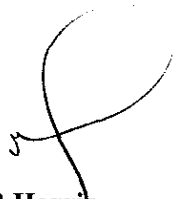
The movement on reserves is detailed in note 5 on page 8 of these financial statements.

Balance sheet
at 26 December 1999

	<i>Note</i>	1999 £000	1998 £000
Fixed Assets			
Investments	2	-	-
Current assets			
Debtors - amounts owed by group undertaking		11,548	11,548
Creditors: amounts falling due within one year	3	(634)	(634)
		<hr/>	<hr/>
Net assets		10,914	10,914
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	4	6,345	6,345
Share premium account		1,231	1,231
Profit and loss account	5	3,338	3,338
		<hr/>	<hr/>
Equity shareholders' funds		10,914	10,914
		<hr/>	<hr/>

The notes on pages 7 to 9 form part of these financial statements

These financial statements were approved by the board of the directors on **19 October 2000** and signed on their behalf by:



P R Harris
Director

Notes

(forming part of the financial statements)

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Consolidated financial statements

Consolidated financial statements have not been prepared for the company and its subsidiaries, as the company itself is a wholly owned subsidiary of a UK parent and is thus not required to do so under Section 228 of the Companies Act 1985.

Cash flow statement

A cash flow statement as defined by FRS 1 has not been prepared as the company is a wholly owned subsidiary of a UK parent.

2. Investments

	£000
<i>Cost</i>	
At beginning and end of year	1,952
	—
<i>Provisions</i>	
At beginning and end of year	1,952
	—
<i>Net book value</i>	
At beginning and end of year	-
	—

Notes (continued)

2. Investments (continued)

The principal subsidiary undertakings at 26 December 1999 which are shown below are all wholly owned and dormant:

	Class of shares held	Registered in
Chart Elect Direct Limited	Ordinary	Great Britain
Chart Home Delivery Services Limited	Ordinary	Great Britain
Chart Insurance Services Limited	Ordinary	Great Britain
Chart Storage & Transportation Limited	Ordinary	Great Britain

The investments have been fully provided against as the realisable values are considered to be negligible.

3. Creditors: amounts falling due within one year	1999	1998
	£000	£000
Amounts owed to groups undertakings	630	630
Accruals and deferred income	4	4
	<hr/>	<hr/>
	634	634
	<hr/>	<hr/>
4. Called up share capital	1999	1998
	£000	£000
<i>Authorised:</i>		
Equity: 6,900,000 ordinary shares of £1 each	6,900	6,900
	<hr/>	<hr/>
<i>Allotted, issued and fully paid:</i>	6,345	6,345
Equity: 6,345,292 ordinary shares of £1 each	<hr/>	<hr/>
5. Profit and loss account		
		£000
Surplus at beginning and end of year		3,338
		<hr/>

Notes (continued)

6. Reconciliation of movements in shareholders' funds

	1999	1998
	£000	£000
Profit/(loss) for the financial year	-	(598)
	—	—
Net decrease in shareholders' funds	-	(598)
Opening shareholders' funds	10,914	11,512
	—	—
Closing shareholders' funds	10,914	10,914
	=====	=====

7. Parent undertaking

The immediate parent undertaking is Lex Transfleet Limited. Until 1 December 1999 the ultimate parent undertaking was National Westminster Bank Plc.

On 1 December 1999 the Joint Venture Agreement between Lombard North Central PLC and Lex Service PLC was modified by way of a Side Letter, to the effect that the number of directors appointed to the board of Lex Transfleet Limited (the company's immediate parent company) by Lombard North Central PLC, be reduced to three and that the chairman of the board shall no longer have the casting vote at general meetings of the company.

On 6 March 2000 the Royal Bank of Scotland Group Plc acquired a controlling interest in the ordinary shares of National Westminster Bank.

Copies of the financial statements of Lex Transfleet Limited can be obtained from:

The Secretary, Lex Transfleet Limited, c/o Lex Service PLC, Lex House, 17 Connaught Place, London, W2 2EL

Copies of the financial statements of National Westminster Bank Plc can be obtained from:

The Secretary, National Westminster Bank Plc, 41 Lothbury, London, EC2P 2BP

Copies of the financial statements of Lex Service PLC can be obtained from:

The Secretary, Lex Service PLC, Lex House, 17 Connaught Place, London, W2 2EL