

Chart Services Limited

Directors' report and financial statements

28 December 1997

Registered number 66722

Registered office

Lombard House
Minerva Way
Glasgow
G3 8AY



Report and financial statements

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Directors and secretary

Directors

AK Simpson (appointed 3 March 1997)
DM Smith
P Cosgrove (resigned 3 March 1997)

Secretary

E Richardson

Directors' report

The directors have pleasure in submitting their report and the financial statements for the year ended 28 December 1997.

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 held office during the year are as shown on page 1.

Directors' interests

None of the persons who were directors as at 28 December 1997 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, and their interests in the shares and loan capital of Group undertakings are disclosed in the directors' report of that company.

Auditor

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 Annual General Meeting.

By order of the board



E Richardson
Secretary

19 February 1998

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; 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.



KPMG Audit Plc

2 Cornwall Street
Birmingham B3 2DL

Auditor's report to the members of Chart Services Limited

We have audited the financial statements on pages 5 to 7.

Respective responsibilities of directors and auditor

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 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 as at 28 December 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'KPMG Audit Plc', with a long, sweeping horizontal line extending to the right.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

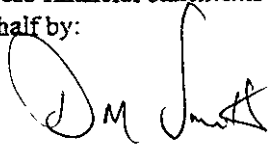
19 February 1998

Balance sheet
at 28 December 1997

	<i>Note</i>	1997 £000	1996 £000
Current assets			
Debtors - amounts owed by group undertakings		11,548	11,548
Creditors: amounts falling due within one year	4	(36)	(36)
Net assets		<u>11,512</u>	<u>11,512</u>
Capital and reserves			
Called up share capital	5	6,345	6,345
Share premium account		1,231	1,231
Profit and loss account		3,936	3,936
Equity shareholders' funds		<u>11,512</u>	<u>11,512</u>

The notes on pages 6 and 7 form part of these financial statements.

These financial statements were approved by the board of directors on 19 February 1998 and were signed on their behalf by:



DM Smith
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 subsidiary undertakings, as the company is itself a wholly owned subsidiary 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 Profit and loss account

During the financial year and preceding financial year, the company did not trade and received no income and incurred no expenditure and consequently made neither a profit nor a loss.

3 Investments

The principal subsidiary undertakings at 28 December 1997 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

4 Creditors: amounts falling due within one year

	1997 £000	1996 £000
Amounts owed to group undertakings	32	32
Accruals and deferred income	4	4
	<hr/>	<hr/>
	36	36
	<hr/>	<hr/>

Notes (continued)

5 Called up share capital

	1997 £000	1996 £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>		
Equity: 6,345,292 ordinary shares of £1 each	6,345	6,345
	<hr/>	<hr/>

6 Parent undertaking

The immediate parent undertaking is Lex Transfleet Limited, the ultimate parent undertaking being National Westminster Bank Plc.

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.