

**PORTALS (BATHFORD) LIMITED**  
(Registered Number:120528)

**DIRECTORS' REPORT ACCOUNTS**

**31 MARCH 1997**



## PORTALS (BATHFORD) LIMITED

### DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 31 March 1997.

### PRINCIPAL ACTIVITY, RESULTS AND DIVIDENDS

The Company did not trade during the year. The Directors do not recommend the payment of a dividend for the year (1996: £Nil).

### FUTURE DEVELOPMENTS

The Directors intend to continue with the current arrangements whereby the Company's name is used for trading purposes only.

### DIRECTORS

The names of the Directors holding office during the year were as follows:

K N Brown  
S A Field  
J A Hussey  
R E Allen  
R G Laing  
R W Thomson

### DIRECTORS' INTERESTS

At 31 March 1997 no Directors or members of their families, as defined by the Companies Act 1985, held any beneficial interests in shares of any member of the group other than the ultimate parent undertaking, De La Rue plc. The holdings of R G Laing in shares of the ultimate parent undertaking are as shown in that company's accounts. The holdings of the other Directors were as follows:

	Own & Family Interest		Executive Share Option Scheme			Savings Related Share Option Scheme			
	31 March 1997	1 April 1996	31 March 1997	Granted	1 April 1996	31 March 1997	Granted	Exercised	1 April 1996
K N Brown	-	1,778	9,800	6,600	3,200	3,415	-	-	3,415
S A Field	3,727	2,602	25,900	14,500	11,400	3,654	3,654	2,715	2,715
H A Hussey	-	-	15,400	2,700	12,700	-	-	-	-
R E Allen	3,132	540	25,300	2,500	22,800	891	-	3,690	4,581
R W Thomson	300	300	13,600	3,300	10,300	619	619	-	-
M Arkwright	-	-	10,200	3,300	6,900	3,596	-	-	3,596
K Wade	-	-	9,800	6,600	3,200	-	-	-	-

No Executive Share Options were exercised or lapsed during the year.

No Savings Related Share Options lapsed during the year.

Options under the Savings Related Share Option Scheme are exercisable at various dates up to August 2002 at prices ranging between 203.23p and 637p. Those under the Executive Share Option Scheme are exercisable at various dates up to July 2006 at prices ranging between 275p and 934p.

## PORTALS (BATHFORD) LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### 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 of the Company for that period. In preparing those financial statements, the directors are required to:

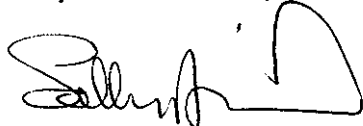
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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.

#### AUDITORS

The auditors, Price Waterhouse, having indicated their willingness to continue in office and as permitted by S386 of the Companies Act 1985, shall remain as auditors of the Company until the Company shall otherwise determine in a General Meeting.

By Order of the Board



S A FIELD  
Secretary

31/11/1997

Registered Office:  
6 Agar Street  
London  
WC2N 4DE

*Price Waterhouse*



## **AUDITORS' REPORT TO THE MEMBERS OF PORTALS (BATHFORD) LIMITED**

We have audited the financial statements on pages 4 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

### **Respective responsibilities of Directors and Auditors**

As described on page 2 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 affairs of the Company as at 31 March 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors  
London

*10 December* 1997

## PORTALS (BATHFORD) LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years, the Company made neither a profit or a loss, and there were no recognised gains or losses.

### BALANCE SHEET AT 31 MARCH 1997

	1997 £'000	1996 £'000
<b>CURRENT ASSETS</b>		
Debtors - amounts owed by group undertaking	<u>145</u>	<u>145</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 2)	86	86
Profit and loss account	<u>59</u>	<u>59</u>
	<u>145</u>	<u>145</u>

APPROVED BY THE BOARD ON  
1997

K N Brown  
Director



5/11/97

The notes on page 5 form part of these financial statements

## PORTALS (BATHFORD) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1997 (CONTINUED)

#### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 1997

##### 1 ACCOUNTING POLICIES

###### Accounting convention

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

##### 2 DIRECTORS' EMOLUMENTS & AUDITOR'S REMUNERATION

No director received any emoluments in their capacity as a director of the Company (1996: £Nil).

There are no persons employed by the Company (1996: £Nil).

##### 3 SHARE CAPITAL

	31 March 1997 £'000	31 March 1996 £'000
Authorised:		
Ordinary shares of £1 each	90	90
	=====	=====
Allotted, called up and fully paid		
Ordinary shares of £1 each	86	86
	=====	=====

##### 4 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 March 1997 £'000	31 March 1996 £'000
Opening and closing shareholders' funds	145	145
	=====	=====

##### 5 ULTIMATE PARENT UNDERTAKING AND CASH FLOW STATEMENT

The ultimate parent undertaking is De La Rue plc which is registered in England and Wales. The De La Rue group is only group of which the Company is a member and for which group accounts are prepared. Copies of the group accounts are available from The Secretary, De La Rue plc, 6 Agar Street, London WC2N 4DE.

A statement on cash flow has been omitted as the Company has taken advantage of the dispensation available to companies for which a cash flow statement is disclosed in the consolidated accounts of the ultimate parent undertaking.