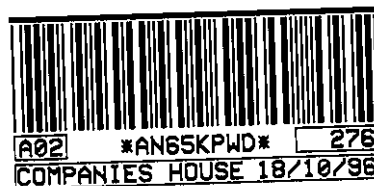


GLYNWED TRUSTEES (1970) LIMITED

Directors' Report and Accounts

30 December 1995

Co No 928494



REPORT OF THE DIRECTORS

The directors present their report for the 52 weeks ended 30 December 1995 together with the audited accounts of the company.

1. Review of activities and future developments

The principal activity of the company is to act as Trustee of certain Glynwed group pension schemes. The company has not traded during the period and there are no transactions to record in a profit and loss account. No dividend is recommended.

2. Directors

The directors of the company during the period were:

J D Eccles
D L Milne
R Montford

3. Directors' interests

The interests of the directors of the company at 30 December 1995 according to the register kept under Section 325 of the Companies Act 1985 were:

Glynwed International plc Ordinary shares of 25p each					
	At beginning of period	Options exercised	Options lapsed	At end of period	Market price at exercise
	Number	Number	Number	Number	P
R Montford					
Shares	38,881			73,314	
SESOS @ 264p	11,250	11,250		-	358
SESOS @ 304p	9,000	9,000		-	358
SESOS @ 308p	20,000	20,000		-	358
SESOS @ 200p	40,000	40,000		-	358
SRSOS @ 182p	4,120	1,939	2,181	-	306

Under the Glynwed International Senior Executive Share Option Scheme (SESOS) and the Glynwed International Savings Related Share Option Scheme (SRSOS), the options above are exercisable as set out below:

Scheme and option price

Exercisable Period

SESOS @ 264p	7 years to April 1997
SESOS @ 304p	7 years to April 1998
SESOS @ 308p	7 years to September 1999
SESOS @ 200p	7 years to September 2002
SRSOS @ 182p	6 months to November 1997

The middle market price of an ordinary share at the end of the period was 321p. The market price during the period varied between 293p and 377p.

REPORT OF THE DIRECTORS (continued)**3. Directors' interests (continued)**

The interests of J D Eccles and D L Milne are shown in the accounts of the ultimate holding company, Glynwed International plc.

The directors had no interests in any contract with the company with the exception of service contracts.

4. Insurance of directors

The holding company has purchased insurance to cover directors' and officers' liability as defined by Section 310(3) (a) of the Companies Act 1985.

5. Auditors

In accordance with Section 386 of the Companies Act 1985, the shareholders have dispensed with the obligation to re-appoint auditors annually. Accordingly, Coopers & Lybrand will remain as auditors of the company.

By order of the Board



J C Blakeley
Joint Secretary

23 AUG 1996

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the statement of auditors' responsibilities set out on page 4, is made with a view to distinguishing the respective responsibilities of the directors and of the auditors in relation to the accounts.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements on pages 5 to 6 the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

**REPORT OF THE AUDITORS TO THE MEMBERS OF
GLYNWED TRUSTEES (1970) LIMITED**

We have audited the accounts on pages 5 to 6.

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.

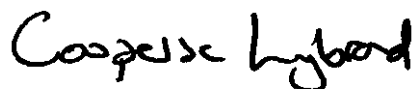
Basis of opinion

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 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 30 December 1995 and have been properly prepared in accordance with the Companies Act 1985.



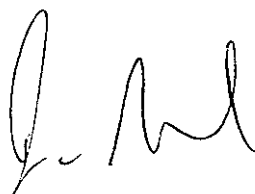
COOPERS & LYBRAND

Chartered Accountants and Registered Auditors
Birmingham

23 August 1996

BALANCE SHEET - 30 DECEMBER 1995

	Notes	1995 £	1994 £
Current assets			
Debtors:			
Amounts owed by the company's holding company	3	<u>3</u>	<u>3</u>
Total net assets employed		<u><u>3</u></u>	<u><u>3</u></u>
Capital and reserves			
Called-up share capital	4	<u><u>3</u></u>	<u><u>3</u></u>



D L Milne
Director

23 AUG 1996

NOTES TO THE ACCOUNTS**1. Accounting policies**

The following statements set out the main accounting policies of the company.

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

2. Directors' emoluments

There were no directors' emoluments due or paid in the period (1994:£Nil).

3. Group indebtedness

These amounts are repayable on demand.

4. Called-up share capital

	1995	1994
	£	£
Ordinary shares of £1 each:		
Authorised	100	100
Allotted, called up and fully paid	3	3

5. Ultimate holding company

The company's ultimate holding company is Glynwed International plc, a company registered in England and Wales.

Copies of the ultimate holding company's accounts can be obtained from Headland House, New Coventry Road, Sheldon, Birmingham B26 3AZ.