

Registered Number : 935791

SKETCHLEY TRUSTEES LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 MARCH 1997



SKETCHLEY TRUSTEES LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report to the members together with the accounts for the year ended 31 March 1997.

Activities and review of business

The company is the Corporate Trustee of the Sketchley Staff Security Plan and the Sketchley Group Life Assurance Scheme.

These trusteeships constitute the only activity of the company and are undertaken in an honorary capacity, any expenses incurred having been borne by the parent undertaking.

Directors

The directors who served during the year were:

| | |
|-----------------|---------------------------|
| Mr R J Meyers | |
| Mr R A Careless | |
| Mr R F B Ousey | Resigned 28 February 1997 |
| Mr M J Floyd | |
| Mr A P Monks | Appointed 24 March 1997 |

Mr R J Meyers resigned as a director of the company subsequent to the financial year on 22 May 1997. Mr J E Jackson was appointed a director of the company on 22 May 1997.

The beneficial interests of each of the directors, who was not a director of the ultimate parent undertaking, in the shares of the ultimate parent undertaking at the end of the financial year were as follows :

31 March 1997 31 March 1996

| | <u>Number</u> | <u>Number</u> |
|-----------------------------------|---------------|---------------|
| Sketchley Plc 25p Ordinary shares | | |
| Mr R A Careless | 332 | 249 |
| Mr M J Floyd | 143 | 143 |
| Mr A P Monks | - | - |

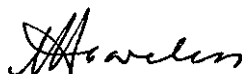
Liability Insurance

The company has maintained, during the year covered by this report, directors' and officers' insurance against liabilities in relation to the company.

Auditors

The company has, by special resolution, resolved that auditors should not be appointed.

By order of the board




R A Careless
Secretary

21 July 1997

SKETCHLEY TRUSTEES LIMITED**BALANCE SHEET AT 31 MARCH 1997**

| | <u>Note</u> | <u>1997</u> £ | <u>1996</u> £ |
|-----------------------------|-------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Debtors | 2 | <u>100</u> | <u>100</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 3 | <u>100</u> | <u>100</u> |

Within the meaning of section 250 of the Companies Act 1985, the company has been dormant throughout the year ended 31 March 1997.


 _____ Director
 21 July 1997

The notes referred to above form part of these accounts.

SKETCHLEY TRUSTEES LIMITED**31 MARCH 1997****NOTES TO THE ACCOUNTS****1 ACCOUNTING POLICY**

These accounts are prepared under the historical cost convention and in accordance with all applicable accounting standards.

2 DEBTORS

| | <u>1997</u> | <u>1996</u> |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Amounts due from parent undertaking | <u>100</u> | <u>100</u> |

3 CALLED UP SHARE CAPITAL

| | <u>1997</u> | <u>1996</u> |
|---|-------------|-------------|
| | £ | £ |
| Authorised, allotted, called up and fully paid: 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

4 DIRECTORS' REMUNERATION

The directors received no emoluments during the year (1996 : Nil). The company had no employees during the year (1996 : Nil).

5 PARENT UNDERTAKING

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Sketchley Plc, registered in England. At 31 March 1997, the company's ultimate parent undertaking was Sketchley Plc. Copies of the group accounts of Sketchley Plc can be obtained from its registered office at Rugby Road, Hinckley, Leicestershire LE10 2NE.

SKETCHLEY TRUSTEES LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT
OF THE ACCOUNTS**

Company law requires directors to prepare accounts 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 accounts, 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 accounts;
- .. prepare the accounts 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 the accounts 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.

The directors confirm that the above requirements have been complied with in the accounts.