

*LAW DEBENTURE OVERSEAS LIMITED*  
DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1995

REGISTERED NUMBER: 1471194



**LAW DEBENTURE OVERSEAS LIMITED**

**DIRECTORS**

C.C.B. Duffett  
D. M. Anderson  
J.R. Jebb  
G.I. Lane  
J.A. Morrell  
D.F. Norris  
H.D. Osborne  
R.J. Williams

**REGISTERED OFFICE**

Princes House  
95 Gresham Street  
London EC2V 7LY

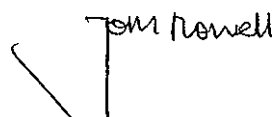
**NOTICE OF MEETING**

Notice is hereby given that the sixteenth annual general meeting of the company will be held on 23 April 1996 at Princes House, 95 Gresham Street, London EC2V 7LY for the following purposes:-

1. To consider and approve the report of the directors and the accounts for the year ended 31 December 1995.
2. To declare a dividend in respect of the year ended 31 December 1995.
3. To re-appoint Price Waterhouse as the company's auditors and authorise the directors to fix their remuneration.
4. To transact any other ordinary business of the company.

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A proxy need not be a member. Any instrument appointing a proxy must be received at the registered office before the time fixed for the meeting.

By order of the board

  
**John Howell**  
Secretary  
19 March 1996

## ***LAW DEBENTURE OVERSEAS LIMITED***

### **DIRECTORS' REPORT**

The directors present to the members their report and the accounts of the company for the year ended 31 December 1995.

### **BUSINESS OF THE COMPANY**

The company carries out trustee business. The directors presently have no plans for the further development of the company.

### **RESULTS**

The company's profit after taxation for the year was £24,000 (1994: £21,000) which when added to the surplus brought forward of £61,000 amounts to £85,000 which is equal to the proposed final dividend recommended by the directors. There are no accumulated reserves carried forward.

### **DIRECTORS**

The directors of the company during the financial year were as follows:-

C.C.B. Duffett  
D.M. Anderson  
F.F.H. Charlton (resigned 25 April 1995)  
J.R. Mason-Jebb  
G.I. Lane  
J.A. Morrell  
D.F. Norris  
H.D. Osborne  
R.J. Williams

During the year, the company maintained liability insurance for the benefit of directors and other officers.

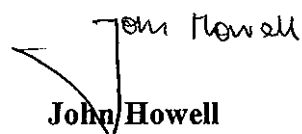
### **DIRECTORS' INTERESTS**

No director has a beneficial interest in the share capital of the company. The beneficial interests of C.C.B. Duffett, J.A. Morrell, H.D. Osborne and R.J. Williams in the ordinary shares of The Law Debenture Corporation p.l.c., the company's ultimate holding company, are shown in the report and accounts of that company. The beneficial interests of the other directors in the ordinary shares of The Law Debenture Corporation p.l.c. are disclosed in the report and accounts of LDC Trust Management Limited.

### **AUDITORS**

The auditors, Price Waterhouse, have indicated their willingness to be re-appointed.

By order of the board

  
**John Howell**  
Secretary  
23 April 1996

***LAW DEBENTURE OVERSEAS LIMITED***

**DIRECTORS' STATEMENT OF RESPONSIBILITIES IN RELATION TO THE ACCOUNTS**

The directors are required by law 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 8, 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.

**LAW DEBENTURE OVERSEAS LIMITED**

**REPORT OF THE AUDITORS**

to The Members of Law Debenture Overseas Limited

Southwark Towers  
32 London Bridge Street  
London, SE1 9SY

23 April 1996

We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

*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 affairs of the company at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

**Price Waterhouse**  
*Chartered Accountants and Registered Auditors*

**LAW DEBENTURE OVERSEAS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER**

	NOTES	1995		1994	
		£000	£000	£000	£000
<b>INCOME</b>					
Trustee fees .....	2		54		54
Interest from group undertakings.....			19		11
			<u>73</u>		<u>65</u>
<b>LESS EXPENSES:-</b>					
Management fee .....	3 & 4	(40)		(35)	
Administration expenses .....	3	<u>(1)</u>		<u>(1)</u>	
			(41)		(36)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION .....</b>			<u>32</u>		<u>29</u>
Taxation on profit on ordinary activities....	5		(8)		(8)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION.....</b>			<u>24</u>		<u>21</u>
Proposed dividend.....	6		(85)		-
<b>(DEFICIT)/RETAINED PROFIT FOR THE YEAR</b>			<u>(61)</u>		<u>21</u>
<b>RETAINED PROFIT BROUGHT FORWARD .....</b>			61		40
<b>RETAINED PROFIT CARRIED FORWARD .....</b>			<u><u>NIL</u></u>		<u><u>61</u></u>

*There are no recognised gains or losses other than the profit for the year*

*Income and profit on ordinary activities before taxation, relate exclusively to continuing operations.*

*The annexed notes form part of these accounts.*

**LAW DEBENTURE OVERSEAS LIMITED**

**BALANCE SHEET - 31 DECEMBER**

	NOTES	1995 £000	1995 £000	1994 £000	1994 £000
<b>CURRENT ASSETS</b>					
Debtors:					
Amounts due from group undertakings ...			360		296
Trustee expenses recoverable.....			-		15
Prepayments and accrued income.....			13		13
			<u>373</u>		<u>324</u>
Cash at bank.....			18		2
			<u>391</u>		<u>326</u>
<b>CREDITORS:</b>					
amounts falling due within one year					
Amount due to group undertakings.....		(278)		(238)	
Taxation.....	5	(9)		(8)	
Trustee expenses payable.....		(18)		(18)	
Accruals.....		(1)		(1)	
Proposed dividend.....	6	<u>(85)</u>		<u>-</u>	
			(391)		(265)
<b>NET CURRENT ASSETS</b> .....			<u>-</u>		<u>61</u>
<b>CAPITAL AND RESERVES</b> .....					
Share capital.....	7		-		-
Revenue reserves.....					61
			<u>-</u>		<u>61</u>
<b>SHAREHOLDERS' FUNDS</b> (all equity interests)			<u>-</u>		<u>61</u>

Approved by the Board on 23 April 1996  
and signed on its behalf by

C.C.B. Duffett

)  
)  
) Directors

R.J. Williams

)  
)

*C.C.B. Duffett*  
*R.J. Williams*

*The annexed notes form part of these accounts.*

## **LAW DEBENTURE OVERSEAS LIMITED**

### **NOTES TO THE ACCOUNTS - 31 DECEMBER 1995**

#### **1. STATEMENT OF ACCOUNTING POLICIES**

- (i) **Convention:** The accounts have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards.
- (ii) **Recognition of income and expenses:** Recurring fees receivable, management fees, administration expenses and interest charges are accounted for on an accruals basis. Non-recurring fees are recognised on a receipts basis. Where trustee expenses are recoverable from third parties, the recoveries and expenses are not included as income or expenses.
- (iii) **Foreign currencies:** Transactions recorded in foreign currencies during the year are translated into sterling at the appropriate daily exchange rate. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rate ruling at that date.

#### **2. TRUSTEE AND OTHER FEES - Geographical Analysis**

Trustee fees relate solely to work done in the United Kingdom on overseas trusts.

#### **3. MANAGEMENT FEE AND ADMINISTRATION EXPENSES**

The administration of the company is undertaken by a fellow subsidiary (LDC Trust Management Limited) for which it was charged a management fee of £40,000 (1994: £35,000). The auditor's remuneration for the year was £575 (1994: £550). Other fees paid to the auditors during the year amounted to £NIL (1994: £NIL).

#### **4. EMPLOYEE INFORMATION AND DIRECTORS' EMOLUMENTS**

There were no employees during the year (1994: Nil). The directors received no emoluments from the company in respect of their services to the company during the year (1994: £Nil) but they were remunerated for their services to the group as a whole by The Law Debenture Corporation p.l.c., which acts as the employing company for the group.

#### **5. TAXATION**

	<b>1995</b>	<b>1994</b>
	<b>£000</b>	<b>£000</b>
Corporation tax at 33% (1994: 33%) on the profit before taxation .....	<u><b>8</b></u>	<u><b>8</b></u>



**LAW DEBENTURE OVERSEAS LIMITED**

**NOTES TO THE ACCOUNTS - 31 DECEMBER 1995**

<b>6. DIVIDENDS</b>	<b>1995</b>	<b>1994</b>
	<b>£'000</b>	<b>£'000</b>
The dividend comprises the following:		
Proposed final dividend of £12,154.14 per share .....	<b>£85</b>	<b>£NIL</b>
	<hr/>	<hr/>
<b>7. SHARE CAPITAL</b>	<b>1995</b>	<b>1994</b>
Authorised: 100 shares of £1 each.....	<b>£100</b>	<b>£100</b>
	<hr/>	<hr/>
Issued and called up:		
7 shares of £1 each .....	<b>£7</b>	<b>£7</b>
	<hr/>	<hr/>
<b>8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</b>	<b>1995</b>	<b>1994</b>
	<b>£000</b>	<b>£000</b>
Revenue profit available for distribution.....	<b>24</b>	<b>21</b>
Proposed dividend .....	<b>(85)</b>	<b>-</b>
	<hr/>	<hr/>
Net (reduction)/addition to shareholders funds.....	<b>(61)</b>	<b>21</b>
Shareholders' funds at 1 January	<b>61</b>	<b>40</b>
	<hr/>	<hr/>
Shareholders' funds at 31 December	<b>-</b>	<b>61</b>
	<hr/>	<hr/>

**9. HOLDING COMPANY**

All the issued share capital of the company is owned by The Law Debenture Corporation p.l.c., a company registered in England. Copies of the group accounts of The Law Debenture Corporation p.l.c. can be obtained from The Secretary, The Law Debenture Corporation p.l.c., Princes House, 95 Gresham Street, London EC2V 7LY.