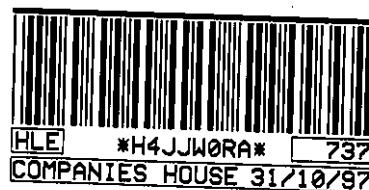

WHITE YOUNG TRUSTEE LIMITED

REPORT AND FINANCIAL STATEMENTS

◆ *Year ended 31 December 1996* ◆



COMPANY NO: 2579388

Contents

Section	Page
Company Information	1
Report of the directors	2-3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7-9

WHITE YOUNG TRUSTEE LIMITED

COMPANY INFORMATION

Directors	W R Brayson	FCA (Chairman)
	J G Purvis	BSc, C Eng, MICE, MI Struct E, FFB, M Cons E
	L D Hall	
	F I Suttie	
Secretary	L D Hall	
Registered office	Arndale Court Headingley Leeds LS6 2UJ	
Registered number	2579388	
Auditors	Robson Rhodes Chartered Accountants St George House 40 Great George Street Leeds LS1 3DQ	
Bankers	Lloyds Bank Plc 6/7 Park Row Leeds LS1 1NX	

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the company for the year ended 31 December 1996.

Principal activities

The company acts as the trustee of the White Young Consulting Group Employee Trust.

The Trust purchases White Young Consulting Group Limited shares from former White Young Group employees and sell these shares to existing and new employees. All these transactions are carried out at fair market price.

Business review and future developments

During the year the company paid £140,549 reflecting purchases of 58,586 ordinary shares in White Young Consulting Group Limited from employees on behalf of the White Young Consulting Group Employee Trust.

The remaining shares held at the year end are available for sale in the future to appropriate employees.

Results and dividends

The results for the year are set out in detail on page 5.

The directors do not recommend the payment of a dividend.

Parent company

The ultimate parent company is White Young Consulting Group Limited. White Young Consulting Group Limited has guaranteed that White Young Trustee Limited has adequate resources to meet its liabilities as they fall due.

Directors

The present membership of the Board is set out on page 1. All directors served throughout the year.

No director has or had any interests in the shares of the company.

The directors serving at the end of the year and their interests in the shares of White Young Consulting Group Limited, the ultimate parent company, were as follows:

	Ordinary shares of 20p each	
	1996	1995
L D Hall	90	90
F I Suttie	-	-

W R Brayson and J G Purvis are directors of the parent company and their interests in the shares of that company are disclosed in its financial statements.

REPORT OF THE DIRECTORS
(Continued)

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 these financial statements, the directors have:

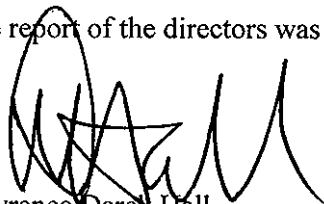
- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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

Robson Rhodes did not seek re-election as auditors of the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that Price Waterhouse be appointed as auditors to the company will be put to the AGM.

The report of the directors was approved by the Board on 20 June 1997 and signed on its behalf by:



Lawrence Derek Hall
Secretary

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
WHITE YOUNG TRUSTEE LIMITED**

We have audited the financial statements set out on pages 5 to 9 which have been prepared on the basis of 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 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 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes
Chartered Accountants and Registered Auditor

Leeds

20 Jun 1997

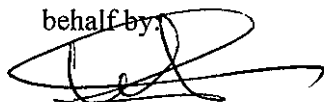
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 1996

	Note	1996 £	1995 £
Operating charges		-	(1)
		<hr/>	<hr/>
Operating loss: continuing operations		-	(1)
Interest payable	2	(3,845)	(20,868)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(3,845)	(20,869)
Tax on loss on ordinary activities	5	(7)	-
		<hr/>	<hr/>
Loss for the year	10	(3,852)	(20,869)
		<hr/> <hr/>	<hr/> <hr/>

WHITE YOUNG TRUSTEE LIMITED**BALANCE SHEET**
at 31 December 1996

	Note	1996 £	1996 £
Current assets			
Debtors	6	286,776	178,491
		<u> </u>	<u> </u>
Creditors: Amounts falling due within one year			
Bank overdraft	7	-	(251,577)
Other creditors	8	(365,346)	(1,632)
		<u> </u>	<u> </u>
		(365,346)	(253,209)
		<u> </u>	<u> </u>
Net current liabilities		(78,570)	(74,718)
		<u> </u>	<u> </u>
Total assets less current liabilities		(78,570)	(74,718)
		<u> </u>	<u> </u>
Capital and reserves			
Called up share capital	9	2	2
Reserves			
Profit and loss account	10	(78,572)	(74,720)
		<u> </u>	<u> </u>
Shareholders' funds	11	(78,570)	(74,718)
		<u> </u>	<u> </u>

The financial statements were approved by the Board of Directors on 20 June 1997 and signed on its behalf by:



William Richard Brayson
Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1996

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention.

The principal accounting policies which the directors have adopted within that convention are set out below.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

2. INTEREST PAYABLE

	1996	1995
	£	£
Bank overdraft	3,845	20,868
	<u> </u>	<u> </u>

3. EMPLOYEES

	1996	1995
	No	No
Average number of employees (including directors) employed by the company during the year	4	4
	<u> </u>	<u> </u>

Costs in respect of these employees were nil.

4. DIRECTORS

No remuneration was paid to any director during the year, nor during the preceding period.

WHITE YOUNG TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1996

5. TAX ON LOSS ON ORDINARY ACTIVITIES

	1996 £	1995 £
Amendment of previous year's estimates	7	-
	<u>7</u>	<u>-</u>

There is no liability for deferred tax, accordingly no provision has been made in these financial statements.

6. DEBTORS

	1996 £	1995 £
Amounts owed by White Young Consulting Group Employee Trust	286,776	146,227
Amount owed by parent company	-	32,264
	<u>286,776</u>	<u>178,491</u>

7. BANK OVERDRAFT

The bank overdraft was secured by a fixed charge on the property, book debts and all other assets of the company, and by a guarantee from its parent company.

8. OTHER CREDITORS

	1996 £	1995 £
Corporation tax		336
Accruals and deferred income	-	1,296
Amount owed to parent company	365,346	-
	<u>365,346</u>	<u>1,632</u>

WHITE YOUNG TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 1996

9. SHARE CAPITAL

	1996 £	1995 £
Authorised		
Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted and fully paid		
Ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

10. PROFIT AND LOSS ACCOUNT

	1996 £	1995 £
At 1 January	(74,720)	(53,851)
Loss for the year	(3,852)	(20,869)
	<u> </u>	<u> </u>
At 31 December	(78,572)	(74,720)
	<u> </u>	<u> </u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £ '000	1995 £ '000
Loss for the year	(3,852)	(20,869)
Opening shareholders' funds	(74,718)	(53,849)
	<u> </u>	<u> </u>
Closing shareholders' funds	(78,570)	(74,718)
	<u> </u>	<u> </u>

12. COMMITMENTS

Bank guarantee

The company together with other subsidiaries of White Young Consulting Group Limited guarantees repayment to Lloyds Bank plc of any sum advanced by the bank to White Young Consulting Group Limited and its subsidiary companies.