

WHITE YOUNG TRUSTEE LIMITED

Directors' Report and Accounts

♦ 30 June 1999



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COMPANY NO: 2579388

WHITE YOUNG TRUSTEE LIMITED

COMPANY INFORMATION

Directors	W R Brayson J G Purvis W G Cooper L D Hall F I Suttie
Secretary	R Hartley
Registered Office	Arndale Court Headingley Leeds LS6 2UJ
Company Number	2579388
Auditors	PricewaterhouseCoopers Benson House Wellington Street Leeds LS1 4JP
Bankers	Lloyds Bank plc 6/7 Park Row Leeds LS1 1NX

WHITE YOUNG TRUSTEE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the company for the period ended 30 June 1999.

Principal activities

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

Prior to the merger of White Young Consulting Group Ltd (WYCGL) with the Ernest Green group on 21 July 1997 the purpose of the Trust was the purchase of WYCGL shares from former White Young Group employees and the sale of those shares to existing and new employees.

Business review and future developments

On 21 July 1997 under the terms of the merger of the Ernest Green and White Young groups the Trust received 3,138,938 ordinary 5p shares in White Young Green Plc as consideration for its holding of 115,828 shares in WYCGL. At the same time the directors of the company decided to distribute 2,429,950 of the consideration shares to the then current White Young staff over the subsequent three years following the merger, providing those persons remain in the merged Group's employment, any forfeitures being reallocated to the remaining eligible staff. Allocations to specific individuals are based on service and seniority. Distributions have been made in July 1998 and July 1999. The final instalment is due in July 2000. Following the final share distribution, any surplus capital and income will be distributed to an already designated charitable cause and then the company will be wound up.

During the period the company received dividends from White Young Green plc of £54,523 which were credited to White Young Employee Trust.

Results and dividend

During the financial period the company did not trade and received no income and incurred no expenditure. Consequently the company made neither a profit nor a loss and had no recognised gains or losses. The directors do not recommend the payment of a dividend.

Taxation status

The Close Company Provisions of the Income and Corporation Taxes Act 1998 apply to the company.

Directors and their interests

The directors who served during the period are noted below:

W.R. Brayson
J.G. Purvis
W.G. Cooper
L.D. Hall
F.I. Suttie

Messrs Brayson, Purvis and Cooper are directors of the ultimate holding company and their share interests are disclosed in the directors' report of that company. The holding of the other directors in the share capital of the ultimate holding company was as follows:

	White Young Green Plc 30.6.99 Ord. Shares of 5p	White Young Green Plc 31.12.97 Ord. Shares of 5p
L.D. Hall	10,039	2,439
F.I. Suttie	-	-

WHITE YOUNG TRUSTEE LIMITED

REPORT OF THE DIRECTORS

continued

Directors' responsibilities

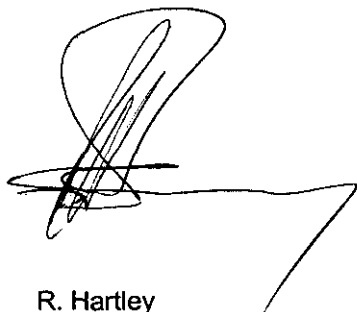
Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors have:

- ◆ 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

PricewaterhouseCoopers have expressed their willingness to be re-appointed.

A handwritten signature in black ink, appearing to be 'R. Hartley', with a long horizontal line extending to the right.

R. Hartley
Secretary
7 October 1999

AUDITORS' REPORT TO THE MEMBERS OF WHITE YOUNG TRUSTEE LIMITED

PricewaterhouseCoopers

Benson House
33 Wellington Street
Leeds LS1 4JP
Telephone +44 (0) 113 289 4000
Facsimile +44 (0) 113 289 4460

We have audited the financial statements on pages 6 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

The directors are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the financial statements.

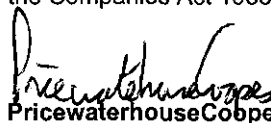
Basis of audit opinion

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 mis-statement, 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 June 1999 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers

Chartered Accountants
and Registered Auditors
Leeds

7 October 1999

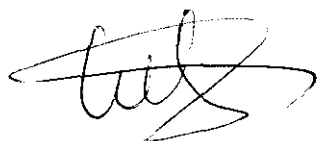
WHITE YOUNG TRUSTEE LIMITED

BALANCE SHEET

30 June 1999

	Note	30.06.99 £	31.12.97 £
Current assets			
Debtors	4	772,014	199,820
Creditors: amounts falling due within one year			
Other creditors	5	(850,584)	(278,390)
Net current liabilities		(78,570)	(78,570)
Total assets less current liabilities		(78,570)	(78,570)
Capital and reserves			
Called up share capital	6	2	2
Profit and loss account	7	(78,572)	(78,572)
Shareholders' funds		(78,570)	(78,570)

The financial statements were approved by the Board of Directors on 7 October 1999 and signed on its behalf by:



W.R. Brayson
Director

WHITE YOUNG TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 30 June 1999

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 period 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 EMPLOYEES

	Number of employees 1999	Number of employees 1997
Average number of people (including directors) employed by the company during the year	4	4

Costs in respect of these employees were nil.

3 DIRECTORS

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

WHITE YOUNG TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 30 June 1999

continued

4 DEBTORS

	30.06.99	31.12.97
	£	£
Amount owed by parent company	772,014	-
Amount owed by White Young Consulting	-	199,820
	<u>772,014</u>	<u>199,820</u>

5 OTHER CREDITORS

	£	£
Amount owed to White Young Consulting Employee Trust	850,584	-
Amount owed to parent company	-	218,390
	<u>850,584</u>	<u>218,390</u>

6 SHARE CAPITAL

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

7 PROFIT AND LOSS ACCOUNT

	£	£
At beginning and end of period	<u>(78,572)</u>	<u>(78,572)</u>