

**LOCATE IN KENT LIMITED
(LIMITED BY GUARANTEE)**

Directors' report and financial statements

**for the period from 29 July 1996
to 31 March 1997**

Registered number 3230721



LOCATE IN KENT LIMITED
(LIMITED BY GUARANTEE)

Directors' report and financial statements

Contents	Page
Professional Advisers	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Auditors' Report	4
Balance Sheet	5
Income and Expenditure Account	5
Notes	6

**LOCATE IN KENT LIMITED
(LIMITED BY GUARANTEE)**

Registered Office

26 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4AE

Professional Advisers

Bankers

National Westminster Bank Plc, 3 High Street, Maidstone, Kent ME14 1SA

Auditors

KPMG, Barham Court, Teston, Maidstone, Kent ME18 5BZ

Solicitors

Argles & Court, 12 Mill Street, Maidstone, Kent ME15 6XU

LOCATE IN KENT LIMITED
(LIMITED BY GUARANTEE)

Directors' Report

The directors present their annual report and audited financial statements for the period from 29 July 1996 (date of incorporation) to 31 March 1997.

Principle activities

The company has not traded since its formation.

Directors and directors' interests

The directors during the year were:-

John Broadbent	(appointed 29.7.96, resigned 1.4.97)
Malcolm Allan	(appointed 29.7.96)
Robert Ashmead	(appointed 1.4.97)
Ramsay Hampton	(appointed 1.4.97)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board.



Secretary

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Statement of 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 surplus or deficit for that period. In preparing those financial statements, the directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgements and estimates that are reasonable and prudent;
- o state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- o prepare the financial statements 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 that the financial statements comply with the Companies Act 1985. They 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, KPMG, TO THE MEMBERS OF
LOCATE IN KENT LIMITED
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We have audited the financial statements 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 as at 31 March 1997 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Chartered Accountants
Registered Auditors
Maidstone

Date: 30 September 1997

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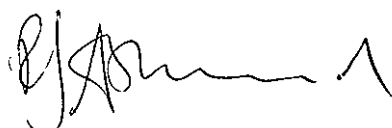
**BALANCE SHEET
AS AT 31 MARCH 1997**

31 March 1997
£

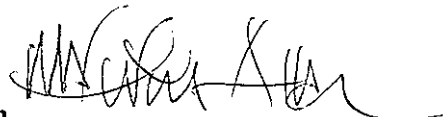
Net Assets Nil

Capital and Reserves Nil

Approved by the Board of Directors on 30 September 1997.



Robert Ashmead
Chief Executive



Malcolm Allan
Director

The notes on page 6 form part of these financial statements.

Income and Expenditure Account

The company has not traded in the period from its incorporation on 29 July 1996 to 31 March 1997, and has received no income and incurred no expenditure. Consequently, during that period the company has not made a surplus or deficit.

Statement of Total Recognised Gains or Losses

There were no recognised gains or losses during the financial period.

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Notes to the Financial Statements

1. Accounting Policy

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost accounting rules.

2. Ultimate Parent Company

The company's Ultimate Parent Company is Kent TEC Limited, which is incorporated in England and Wales. The financial statements for Kent TEC Limited are available to the public and may be obtained from 26 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4AE.