

Registered Company No: 3912708

Services Support (SEL) Holdings Limited

**Report & Accounts
for the Year Ended 31 December 2001**

Registered address:
29 Bressenden Place
Victoria
London
SW1E 5EQ



Directors' report and financial statements for the year ended 31 December 2001

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Directors and Advisors

Directors

The directors of the Company are shown in the Directors' Report on Page 2.

Company Secretary and Registered Office:

RG Curtis	Resigned 2/02/2001	
R Miller	Appointed 2/02/2001	Resigned 12/04/2002
Asset Management Solutions Limited	Appointed 2/02/2001	
P Shell	Appointed 12/04/2002	

29 Bressenden Place
Victoria
London
SW1E 5EQ

Auditor

KPMG Audit Plc

Solicitors

Denton Wilde Sapte

Principal bankers

Dresdner Bank (London)

Financial Advisors

Macquarie Bank

Report of the directors for the year ended 31 December 2001

The directors submit their report together with financial statements for the year ended 31 December 2001.

Principal trading activities and business review

The principal activity of the Company is an investment in Services Support (SEL) Limited, a special purpose company whose activity is the design, construction, financing and operation of three sector police stations and one divisional headquarters in South East London, under the Private Finance Initiative.

The directors do not recommend the payment of a dividend (2000: £nil).

Directors

The following directors held office during the year:

R Weston		
J Whittington	Appointed 20/01/2000	Resigned 20/02/2001
G Blood	Appointed 2/02/2001	
M McColl	Appointed 1/11/2001	
R Smith	Appointed 1/11/2001	

Directors' Interests

No director has, or has held at any time during the year, any interest in the share capital of the Company.

The interests of R Weston in the shares of John Laing plc, the ultimate parent undertaking, are disclosed in the accounts of Laing Investments Limited.

No director has a service contract with or receives any remuneration from the Company.

No director has, or has had during the year, any personal interest in any significant or material contract with the Company.

Report of the directors for the year ended 31 December 2001 (continued)

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 profit or loss for that period. In preparing those financial statements, 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 financial statements;
- 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.

Auditor

In accordance with Section 385 of the Companies Act 1985, a resolution to reappoint KPMG Audit Plc as auditor is to be proposed at the next Annual General Meeting.

By Order of the Board



**G Blood
Director**

3 May 2002

Independent auditor's report to the members of Services Support (SEL) Holdings Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the directors' report and, as described on page 3 the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditor, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 Companies Act 1985. 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 with the Company is not disclosed.

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 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 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

17 May 2002

Balance sheet

As at 31 December 2001

	Note	2001 £	2000 £
Fixed Assets			
Investment	4	5,328,000	1
Current assets			
Debtors: due within one year	5	-	1
		-	1
Current liabilities			
Creditors: amounts falling due within one year	6	-	(1)
Net current assets		-	-
Total assets less current liabilities		5,328,000	1
Creditors: amounts falling due after one year	6	(5,303,000)	-
Net Assets		25,000	1
Capital & reserves			
Called up Share Capital	8	25,000	1
Equity shareholders' funds	7	25,000	1

The financial statements on pages 5 to 10 were approved by the Board of Directors on 3 May 2002 and were signed on its behalf by:



G Blood
Director

Notes to the financial statements

for the period from incorporation to 31 December 2001

1 Principal accounting policies

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and together with the reporting requirements of the Companies Act 1985. A summary of the principal accounting policies, which have been consistently applied, is shown below.

Basis of consolidation

The company is a wholly owned subsidiary of John Laing plc and is exempt under Financial Reporting Standard 1 (Revised 1996) from the requirement to prepare its own cash flow statement. As a wholly owned subsidiary undertaking the company is also exempt under section 228 of the Companies Act 1985 from any requirement to prepare consolidated financial statements for its group.

Accordingly, the financial statements present information about the company as an individual undertaking, and the results of subsidiaries are reflected in these accounts only to the extent that dividends have been declared.

The Company has not traded during the period since incorporation and the Company has received no income nor incurred any expenditure. Accordingly, during the year, the Company has made neither a profit or loss and incurred no other gains or losses. Consequently no consolidated profit and loss account has been prepared. The audit fee is borne by a fellow group undertaking.

Fixed Asset Investments

Fixed asset investments are recorded at cost, less any provision for impairment.

Notes to the financial statements for the year ended 31 December 2001 (continued)

2 Emoluments of directors

	2001 £'000	2000 £'000
All directors	<u>21</u>	<u>-</u>
Highest Paid Director	<u>13</u>	<u>-</u>

The emoluments of directors shown above are in respect of qualifying services to the company and are borne by fellow subsidiary undertakings on behalf of the company.

The highest paid director is a member of a defined benefit scheme, under which the accrued pension to which they would be entitled from a normal retirement date if they were to retire at the year end is £62,420.

Retirement benefits are accruing to 4 (2000: 1) directors under defined benefits schemes. None of the directors exercised share options in the ultimate parent undertaking, John Laing plc during the year.

3 Staff numbers & costs

The company had no employees during the year.

4 Fixed asset investments

Company	Interests in Subsidiary Undertaking £
Cost	
At 1 January 2001	1
Additions	<u>5,327,999</u>
At 31 December 2001	<u>5,328,000</u>

Subsidiary undertaking:

	Shareholding	Nature of Business
Services Support (SEL) Limited	100%	Special purpose company to fulfil obligations under PFI contract

Notes to the financial statements for the year ended 31 December 2001 (continued)

5 Debtors

	2001 £	2000 £
Due in less than one year		
Amounts due from group undertakings	-	1
	-	1

6 Creditors

	2001 £	2000 £
Amounts falling due within one year		
Amounts due to group undertakings	-	1
	-	1
Amounts falling due after one year		
Amounts due to group undertakings: Loan notes	5,303,000	-
	5,303,000	-

The loan notes are subordinated debt, which carries a zero percent rate of interest.
The loan notes are repayable by the Company no later than the end of the agreement with the Metropolitan Police Authority.

Notes to the financial statements for the year ended 31 December 2001 (continued)

7 Reconciliation of Movements in Shareholders' Funds

	Share capital £	Profit and loss account £	2001 Total shareholders' funds £	2000 Total £
Profit for the financial year	-	-	-	-
New share capital subscribed	24,999	-	24,999	1
Net movement in shareholders' funds	24,999	-	24,999	1
Opening shareholders' funds	1	-	1	-
Shareholders' funds as at 31 December	25,000	-	25,000	1

8 Share capital

	2001 £	2000 £
Authorised		
2000: 1,000 ordinary shares of £1		1,000
2001: 25,000 ordinary shares of £1	25,000	-
Allotted Issued Nil Paid		
2000: 1 ordinary share of £1		1
2001: Nil ordinary shares of £1	-	-
Allotted Issued Fully Paid		
2000: Nil ordinary share of £1	-	-
2001: 25,000 ordinary share of £1	25,000	-
	<u>25,000</u>	<u>1</u>

Ordinary shares were issued in the year to reflect the Company's obligations to subscribe for equity in its project companies.

Notes to the financial statements for the year ended 31 December 2001 (continued)

9 Related party transactions

In accordance with the exemption afforded by Financial Reporting Standard No 8, there is no disclosure in these financial statements of transactions with entities that are part of the John Laing plc group.

10 Ultimate Parent Undertaking

The intermediate parent undertaking is Equion plc. On 26 January 2001, Laing Investments Limited acquired the entire share capital of Hyder Investments Limited, thereby resulting in Equion plc becoming a member of the John Laing group of companies. Its ultimate and controlling parent undertaking being John Laing plc from that date, is a company registered in England and Wales.

John Laing plc is also the parent undertaking of the largest group of undertakings for which group financial statements are drawn up.

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up is Laing Investments Limited, a company registered in England and Wales.

Copies of these consolidated financial statements are available from the registered office at 29 Bressenden Place, London, SW1E 5EQ.