

**Registered Company No: 3912708**

**Services Support (SEL) Holdings Limited**

**Report & Accounts  
for the Year Ended 31 December 2002**

**Registered address:**  
29 Bressenden Place  
Victoria  
London  
SW1E 5EQ



## **Directors' report and financial statements for the year ended 31 December 2002**

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## **Directors and Advisors**

### **Directors**

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

### **Company Secretary**

R Miller

Asset Management Solutions Limited

P Shell

Resigned 12/04/2002

Resigned 31/10/2002

Appointed 12/04/2002

### **Registered Office**

29 Bressenden Place

Victoria

London

SW1E 5EQ

### **Auditors**

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 2002**

The directors submit their report together with financial statements for the year ended 31 December 2002.

### **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.

There has been no income or expenditure during the year and therefore the Company made neither a profit nor a loss.

The directors do not recommend the payment of a dividend (2001: £nil).

### **Directors**

The following directors held office during the year:

R Weston  
G Blood  
M McColl  
R Smith

### **Directors' Interests**

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

The following directors participated in the John Laing plc Senior Executive Share Option Scheme and Savings Related Option Scheme. Rights to subscribe for John Laing plc Ordinary Shares granted and/or exercised during the year were as follows:

|         | At 1 January 2002 or<br>later date of appointment | Granted | Exercised | At 31 December 2002 |
|---------|---------------------------------------------------|---------|-----------|---------------------|
| G Blood | -                                                 | 10,803  | -         | 10,803              |

## **Report of the directors**

### **for the year ended 31 December 2002 (continued)**

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.

#### **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.

#### **Auditors**

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

#### **By Order of the Board**



**G Blood**  
**Director**

*27* May 2003

## **Independent auditors' report to the members of Services Support (SEL) Holdings Limited**

We have audited the financial statements on pages 5 to 9.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **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 2002 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*

8 Salisbury Square  
London  
EC4Y 8BB

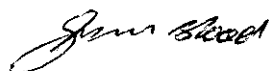
**27 May 2003**

# Balance sheet

As at 31 December 2002

|                                               | Note | 2002<br>£     | 2001<br>£     |
|-----------------------------------------------|------|---------------|---------------|
| <b>Fixed Assets</b>                           |      |               |               |
| Investment                                    | 4    | 5,328,000     | 5,328,000     |
| Creditors: amounts falling due after one year | 5    | (5,303,000)   | (5,303,000)   |
| <b>Net assets</b>                             |      | <u>25,000</u> | <u>25,000</u> |
| <b>Capital &amp; reserves</b>                 |      |               |               |
| Called up Share Capital                       | 7    | <u>25,000</u> | <u>25,000</u> |
| <b>Equity shareholders' funds</b>             | 6    | <u>25,000</u> | <u>25,000</u> |

The financial statements on pages 5 to 9 were approved by the Board of Directors on 27 May 2003 and were signed on its behalf by:



**G Blood**  
**Director**

## **Notes to the financial statements for the year ended 31 December 2002**

### **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 2002 (continued)

## 2 Emoluments of directors

|                       | 2002<br>£'000 | 2001<br>£'000 |
|-----------------------|---------------|---------------|
| All directors         | <u>64</u>     | <u>21</u>     |
| Highest Paid Director | <u>36</u>     | <u>13</u>     |

The emoluments of directors shown above are in respect of qualifying services to the company and its subsidiary undertakings and were 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 £13,929.

Retirement benefits are accruing to 4 (2001: 4) 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 (2001: nil).

## 4 Fixed asset investments

| Company                                | Interests in<br>Subsidiary<br>Undertaking<br>£ |
|----------------------------------------|------------------------------------------------|
| At 1 January 2002 and 31 December 2002 |                                                |
| Equity share capital                   | 25,000                                         |
| Loan notes                             | <u>5,303,000</u>                               |
|                                        | <u>5,328,000</u>                               |

### Subsidiary undertaking:

|                                                                             | Shareholding<br>(Ordinary) | Nature of Business                                                     |
|-----------------------------------------------------------------------------|----------------------------|------------------------------------------------------------------------|
| Services Support<br>(SEL) Limited<br>(Incorporated in<br>England and Wales) | 100%                       | Special purpose company<br>to fulfil obligations under<br>PFI contract |

# Notes to the financial statements for the year ended 31 December 2002 (continued)

## 5 Creditors

|                                               | 2002<br>£        | 2001<br>£        |
|-----------------------------------------------|------------------|------------------|
| <b>Amounts falling due after one year</b>     |                  |                  |
| Amounts due to group undertakings: Loan notes | 5,303,000        | 5,303,000        |
|                                               | <u>5,303,000</u> | <u>5,303,000</u> |

The unsecured loan notes of £5,303,000 were issued by Equion Plc as part of the committed shareholder funding for the project.

The loan notes carry a zero percent rate of interest and are repayable by the Company no later than the end of the agreement with the Metropolitan Police Authority (29 January 2029).

## 6 Reconciliation of Movements in Shareholders' Funds

|                                       | 2002                  |                                    |                                      | 2001       |
|---------------------------------------|-----------------------|------------------------------------|--------------------------------------|------------|
|                                       | Share<br>capital<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>shareholders'<br>funds<br>£ | Total<br>£ |
| New share capital subscribed          | -                     | -                                  | -                                    | 24,999     |
| Net movement in shareholders' funds   | -                     | -                                  | -                                    | 24,999     |
| Opening shareholders' funds           | 25,000                | -                                  | 25,000                               | 1          |
| Shareholders' funds as at 31 December | 25,000                | -                                  | 25,000                               | 25,000     |

# Notes to the financial statements for the year ended 31 December 2002 (continued)

## 7 Share capital

|                                                            | 2002<br>£     | 2001<br>£     |
|------------------------------------------------------------|---------------|---------------|
| Authorised<br>25,000 ordinary shares of £1                 | <u>25,000</u> | <u>25,000</u> |
| Allotted Issued Fully Paid<br>25,000 ordinary shares of £1 | <u>25,000</u> | <u>25,000</u> |

## 8 Related party transactions

In accordance with the exemption afforded by FRS8, there is no disclosure in these financial statements of transactions with entities that are part of the John Laing plc group. Note 9 gives details of how to obtain a copy of the published financial statements of John Laing plc.

## 9 Ultimate Parent Undertaking

The company is a wholly owned subsidiary of Equion plc, a company registered in England and Wales.

The company is a member of the John Laing group of companies. Its ultimate and controlling parent company, and the largest and smallest group in which the results of the company are consolidated is John Laing plc, a company registered in England and Wales.

Copies of these consolidated financial statements are available from the registered office at Nations House, 103 Wigmore Street, London, W1U 1RR.