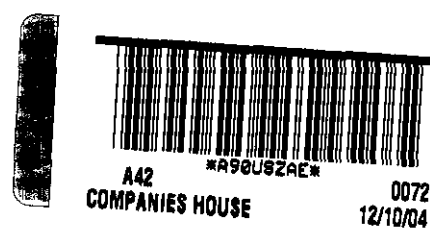


SERVICES SUPPORT (SEL) HOLDINGS LIMITED

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2003**



Registered Number: 03912708

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

CONTENTS	Page
Directors and advisors	1
Directors' report	2 - 3
Statement of Directors' responsibilities	4
Independent auditors' report to the members of Services Support (SEL) Holdings Limited	5
Balance sheet	6
Notes to the financial statements	7 - 9
List of principal subsidiaries	10

DIRECTORS AND ADVISORS

Directors

A J Ballsdon (appointed 27 January 2004)
G D Blood (resigned 2 June 2003)
J Cann (appointed 2 June 2003)
M D McColl (resigned 8 August 2003)
N Smith (appointed 2 June 2003)
R C Smith
R Weston (resigned 17 November 2003)

Company secretary and registered office

P G Shell
Allington House
150 Victoria Street
London SW1E 5LB

Auditors

Deloitte & Touche LLP
London

Solicitors

Denton Wilde Sapte
5 Chancery Lane
Clifford's Inn
London
EC4A 1BU

Principal bankers

Dresdner Bank (London)
2 Swan Lane
London
EC4R 3UX

Financial advisors

Macquarie Bank
City Point, Level 30
1 Ropemaker Street
London
EC2Y 9HD

DIRECTORS' REPORT

The Directors submit their annual report and the audited financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to hold 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.

RESULTS AND DIVIDENDS

The Company has not traded throughout the year, and consequently made neither profit nor loss (2002 - £nil). The Directors do not recommend payment of a dividend (2002 - £nil).

The Directors do not recommend the payment of a dividend (2002 - £nil).

DIRECTORS

The Directors who served throughout the year, except as noted, are shown on page 1.

DIRECTORS' INTERESTS

No Director held any interests in the shares of the Company, or had any personal interest in any significant or material contract with the Company, during the year ended 31 December 2003.

Certain Directors held interests in the share capital of the Company's ultimate parent undertaking, John Laing plc. Their interests are disclosed as follows:

R Weston in the accounts of Laing Investments Limited

G D Blood in the accounts of Equion plc

J Cann and N Smith in the accounts of Services Support (BTP) Holdings Limited

M D McColl in the accounts of Education Support (Enfield) Holdings Limited

Other than as stated above, no Director had any interest in the shares of any other group Company requiring disclosure under the Companies Act 1985.

In addition, the following Director participated in the JL Executive Share Option Plan 2002. Rights to subscribe for John Laing plc Ordinary Shares granted and/or exercised during the year were as follows:

	Balance at 1 January 2003	Granted	Exercised	Lapsed	Balance at 31 December 2003	Average exercise price (p)	Earliest date of exercise	Expiry date
R C Smith	9839	9,080	-	-	18,919	147.36	01/07/2005	15/04/2013

DIRECTORS' REPORT (continued)

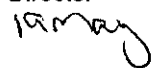
AUDITORS

The Company appointed Deloitte & Touche LLP as auditors with effect from 1 August 2003. A resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



J Cann
Director



2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year and of the profit or loss of the Company 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; and
- 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 are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVICES SUPPORT (SEL) HOLDINGS LIMITED

We have audited the financial statements of Services Support (SEL) Holdings Limited for the year ended 31 December 2003 which comprise the balance sheet, the related notes 1 to 12 and the list of principal subsidiaries. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume 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 auditors

As described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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.

We read the Directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 2003 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

24 May 2004

SERVICES SUPPORT (SEL) HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	2002 £
Fixed assets			
Investments	4	5,328,000	5,328,000
Current assets			
Creditors: amounts falling due within one year	5	(35,731)	-
Net current liabilities		<u>(35,731)</u>	<u>-</u>
Total assets less current liabilities		5,292,269	5,328,000
Creditors: amounts falling due after more than one year	6	(5,267,269)	(5,303,000)
Net assets		<u>25,000</u>	<u>25,000</u>
Capital and reserves			
Called up share capital	8	25,000	25,000
Equity shareholders' funds	9	<u>25,000</u>	<u>25,000</u>

The financial statements were approved by the Board of Directors on 19 May 2004 and were signed on its behalf by:



J Cann
Director

19 May 2004

Notes to the financial statements for the year ended 31 December 2003

1 ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently, is shown below.

The Company is a wholly owned subsidiary undertaking of John Laing plc and as such is exempt under FRS 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 subsidiary and joint ventures are reflected in these accounts only to the extent that dividends have been declared.

b) Investments

Except as stated below, fixed asset investments are shown at cost less provision for impairment. Income from investments is included in the profit and loss account as declared.

c) Profit and loss

During the current year and preceding year, the Company did not trade and consequently made neither a profit nor a loss.

2 DIRECTORS' REMUNERATION

The Directors of the Company are remunerated for their services to the group as a whole and it is not practicable to allocate their remuneration between John Laing plc group Companies. The remuneration of R Weston is disclosed in the financial statements of Laing Investments Limited. The remuneration of A J Ballsdon and G D Blood is disclosed in the financial statements of Equion plc. The remuneration of J Cann and N Smith is disclosed in the financial statements of Services Support (BTP) Holdings Limited. The remuneration of M D McColl is disclosed in the financial statements of Education Support (Enfield) Holdings Limited. The remuneration of the remaining Director is as follows:

	2003	2002
	£	£
<u>All Directors</u>		
Director's emoluments	<u>85,762</u>	<u>64,000</u>

The emoluments of the Director shown above are in respect of qualifying services to the John Laing plc group and are borne by fellow subsidiary undertakings on behalf of the company.

The prior year amounts were allocated between group Companies.

Retirement benefits are accruing to one (2002 - one) Director under defined benefit schemes.

None of the Directors exercised share options in the ultimate parent undertaking John Laing plc during the year (2002 - nil), and none of the Directors received/became entitled to shares under a long-term incentive scheme.

3 STAFF NUMBERS

The Company had no employees during the year (2002 - nil).

SERVICES SUPPORT (SEL) HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 December 2003 (continued)

4 INVESTMENTS

Interest in
subsidiary
undertaking
£

Cost and net book value

At 1 January and 31 December 2003

5,328,000

The Company's principal subsidiary undertaking is listed on page 10.

In the opinion of the Directors the aggregate value of the investment in subsidiary undertaking is not less than the amount stated in the balance sheet.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2003
£

2002
£

Amounts owed to group undertakings

35,731

-

6 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

2003
£

2002
£

Amounts owed to group undertakings: loan notes (note 7)

5,267,269

5,303,000

Analysis of debt:

Debt can be analysed as falling due:

In one year or less, or on demand

35,731

-

Between one and two years

2,003,929

35,731

Between two and five years

2,909,063

3,986,185

In five years or more

354,277

1,281,084

5,303,000

5,303,000

Less: unamortised debt issue costs

-

-

5,303,000

5,303,000

7 LOANS

The unsecured loan notes of £5,303,000 (2002 - £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).

8 CALLED UP SHARE CAPITAL

2003
No.

2002
No.

Authorised:

Ordinary shares at £1 each

25,000

25,000

£

£

Allotted, called up and fully paid:

25,000 ordinary shares at £1 each

25,000

25,000

SERVICES SUPPORT (SEL) HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 December 2003 (continued)

9 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2003 £	2002 £
Opening shareholders' funds	25,000	25,000
Additions during the year	-	-
Closing shareholders' funds	25,000	25,000

10 CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

The Company has an obligation in terms of the agreements of the project to provide a total Loan of £7,278,000 and Equity of £25,000 to Services Support (SEL) Limited. The outstanding amount committed is shown below.

As at 31 December 2003, future commitments on investments amounted to £1,511,398 (2002 - £1,729,275).

	Equity £	Loans £	Total £
Less than one year	-	1,511,398	1,511,398

11 TRANSACTIONS WITH RELATED PARTIES

As a greater than 90% subsidiary of John Laing plc, the Company has taken advantage of the exemption under Financial Reporting Standard 8 not to provide information on related party transactions with other undertakings within the John Laing plc group. Note 12 gives details of how to obtain a copy of the published financial statements of John Laing plc.

The audit fee for the current and previous year have been borne by Services Support (SEL) Limited, a wholly owned subsidiary.

12 ULTIMATE PARENT UNDERTAKING

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

The Company's ultimate parent and controlling party, and the largest and smallest group in which its results are consolidated, is John Laing plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated accounts of John Laing plc are available from its registered offices at Allington House, 150 Victoria Street, London, SW1E 5LB.

The John Laing plc website at www.laing.com can also be accessed for Parent Company information, including annual reports, Stock Exchange announcements, press releases and other background information.

SERVICES SUPPORT (SEL) HOLDINGS LIMITED

PRINCIPAL SUBSIDIARIES

Company name	Class and percentage of shares held	Principal activity	Country of incorporation
Services Support (SEL) Limited	100% of ordinary shares	Special purpose company to fulfil obligations under PFI contract	Great Britain