

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(REGISTERED IN ENGLAND AND WALES NO. 32352)



TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 1996.

Activities, business review and future developments

The company's activity is that of a property developer.

Results and dividends

The profit for the financial year amounted to £163,313 (1995: £754,567). No dividend was paid during the year (1995: £1,000,000).

Directors and directors' interests

The directors who served during the year are as follows:

S Ford
R Richmond

Neither director held any interest in the shares of this company. The interests of R Richmond and S Ford in the ordinary shares of Triplex Lloyd plc are as follows:

1984 Executive Share Option Scheme	<u>1 April 1995</u> Options	<u>Granted</u> Options	<u>Exercised</u> Options	<u>31 March 1996</u> Options
R Richmond	75,000	-	20,853	54,147
S Ford	4,361	-	-	4,361
1994 Executive Share Option Scheme	<u>1 April 1995</u> Options	<u>Granted</u> Options	<u>Exercised</u> Options	<u>31 March 1996</u> Options
R Richmond	25,000	30,000	-	55,000
S Ford	25,000	10,000	-	35,000

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' REPORT

(continued)

Directors and directors' interests (continued)

Savings Related Options	<u>1 April 1995</u>	<u>Granted</u>	<u>Exercised</u>	<u>31 March 1996</u>
	Options	Options	Options	Options
R Richmond	-	2,689	-	2,689

At 31 March 1996 R Richmond held 3,328 ordinary shares in Triplex Lloyd plc (1995: nil).

Payments Policy

It is company policy to abide by terms negotiated at the time when business is agreed with suppliers.

By order of the Board

R. RICHMOND

Secretary



Registered office:
Quayside House
Rounds Green Road
Oldbury
West Midlands
B69 2DH
9 July 1996

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

DIRECTORS' RESPONSIBILITIES IN RELATION TO
THE FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the auditors' statement of auditors' responsibilities set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 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 for the financial year.

The directors consider that in preparing the financial statements, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all accounting standards which they consider to be applicable have been followed. The directors are required to use a going concern basis in preparing the financial statements unless this is inappropriate.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and to detect fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

We have audited the financial statements on pages 5 to 12.

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 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

Chartered Accountants

Registered Auditors

9 July 1996

Birmingham

K/MC
9 July 1996

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1996

	<u>Note</u>	<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
TURNOVER	2	-	4,662,000
Cost of sales		<u>-</u>	<u>(3,558,000)</u>
GROSS PROFIT		-	1,104,000
Administrative expenses		<u>(54,641)</u>	<u>(4,021)</u>
Operating (loss)/profit from continuing operations		<u>(54,641)</u>	<u>1,099,979</u>
(Loss)/profit on ordinary activities before interest		(54,641)	1,099,979
Interest receivable		<u>10,083</u>	<u>33,734</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(44,558)	1,133,713
Tax on (loss)/profit on ordinary activities	4	<u>207,871</u>	<u>(379,146)</u>
PROFIT FOR THE FINANCIAL YEAR		163,313	754,567
Dividends - paid		<u>-</u>	<u>(1,000,000)</u>
TRANSFER TO/(FROM) RESERVES		<u>163,313</u>	<u>(245,433)</u>

The above results arise entirely from the continuing property development activities.

The notes on pages 8 to 12 form part of these financial statements.

Movements on reserves are set out in note 11 on page 12 of these financial statements.

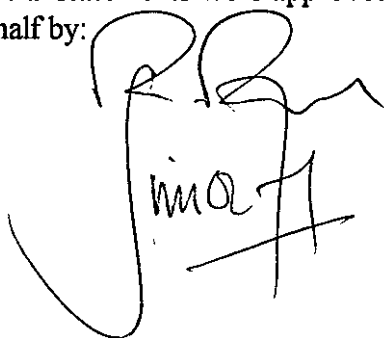
TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

**BALANCE SHEET
AT 31 MARCH 1996**

	Note	<u>1996</u>		<u>1995</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
FIXED ASSETS					
Investments	5		120,123		120,123
CURRENT ASSETS					
Stocks	6	3,096,840		2,629,028	
Debtors	7	3,807,128		4,710,130	
		<u>6,903,968</u>		<u>7,339,158</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(1,089,364)</u>		<u>(1,817,512)</u>	
NET CURRENT ASSETS			<u>5,814,604</u>		<u>5,521,646</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,934,727		5,641,769
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9		(1,177,755)		(1,048,110)
NET ASSETS			<u>4,756,972</u>		<u>4,593,659</u>
CAPITAL AND RESERVES					
Called up share capital	10		2,085,240		2,085,240
Revaluation reserve	11		797,000		797,000
Profit and loss account	11		<u>1,874,732</u>		<u>1,711,419</u>
Shareholders' funds attributable to equity interests			<u>4,756,972</u>		<u>4,593,659</u>

The notes on pages 8 to 12 form part of these financial statements.

These financial statements were approved by the Board of directors on 9 July 1996 and signed on their behalf by:



R RICHMOND)
S FORD)

DIRECTORS

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 1996

There is no difference between the profit/(loss) for the financial year and the total recognised gains for the years ended 31 March 1995 and 1996.

NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 1996

There is no difference between the profit for the financial year and historical cost profits for the years ended 31 March 1995 and 1996.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS'
FUNDS FOR THE YEAR ENDED 31 MARCH 1996

	1996 <u>£</u>	1995 <u>£</u>
Profit for the financial year	163,313	754,567
Dividends	-	<u>(1,000,000)</u>
Movements in year to 31 March 1996	163,313	(245,433)
Shareholders' funds at 31 March 1995	<u>4,593,659</u>	<u>4,839,092</u>
Shareholders' funds at 31 March 1996	<u>4,756,972</u>	<u>4,593,659</u>

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the valuation of certain stocks (see note (c) below) and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents the value of developments sold, work done and services rendered, excluding value added tax.

(c) Stocks

Certain property, which is being redeveloped prior to its sale, was previously classified as fixed assets. This property was reclassified as stock during the year ended 31 March 1994 at its then net book value, which included prior years revaluation surplus. This treatment is a departure from the requirements of the Companies Act 1985 which requires current assets to be included in the accounts at the lower of their purchase price and net realisable value. The directors considered that no profit should have been created nor loss avoided by reclassifying the property and had therefore adopted the treatment in order that the accounts give a true and fair view.

Had the prescribed treatment been applied the carrying value of the development property would be reduced by £797,000 and the revaluation reserve, amounting to £797,000 would have been eliminated. Other development properties are stated at cost.

The directors are of the opinion that the estimated net realisable value of the development properties is not less than its book value.

(d) Grants

Grants received are credited to deferred income when the conditions for their receipt have been fulfilled and are recognised in the profit and loss account upon the disposal of the assets to which they relate.

(e) Deferred taxation

Provision is made under the liability method for taxation deferred because of timing differences only to the extent that it is probable that an actual liability will crystallise.

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

2. Turnover

The whole of the company's turnover arose in the United Kingdom.

3. (Loss)/profit on ordinary activities before taxation

(Loss)/profit on ordinary activities before taxation is stated after charging:

	1996	1995
	<u>£</u>	<u>£</u>
Auditors remuneration	<u>4,000</u>	<u>4,000</u>

Non-audit fees payable to the auditors amounted to £nil (1995: £nil).

4. Tax on (loss)/profit on ordinary activities

	1996	1995
	<u>£</u>	<u>£</u>
Corporation tax at 33% on the (losses)/profits for the year	(14,704)	374,125
Adjustment in respect of prior years	(193,167)	5,021
	<u>(207,871)</u>	<u>379,146</u>

The tax credit is higher than the standard rate of corporation tax owing to the utilisation of Group losses against prior years.

5. Investments

	<u>Cost</u>	<u>Provision</u>	<u>Net book value</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Shares in unlisted, wholly owned subsidiary undertakings			
At 31 March 1995 and 31 March 1996	502,121	(382,048)	120,073
Shares in unlisted associated undertaking			
At 31 March 1995 and 31 March 1996	221	(171)	50
Net book value at 31 March 1995 and 31 March 1996	<u>502,342</u>	<u>(382,219)</u>	<u>120,123</u>

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

5. Investments (continued)

The investments, all of which are incorporated in Great Britain and registered in England and Wales are:

Subsidiary undertakings:

Triplex Properties Limited	- non-trading
Alcester Street Properties Limited	- non-trading
Hopecar Limited	- non-trading
E C & J Keay Limited	- non-trading
Deritend Properties Limited	- non-trading

Associated undertaking (50% owned):

Hale Property Developments Limited	- property development
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All shares held are ordinary shares.

In the opinion of the directors the value of the investments in subsidiary and associated undertakings is not less than the value at which it is included in the balance sheet.

The company does not prepare Group accounts because it is a wholly-owned subsidiary of a company incorporated in Great Britain (see note 12).

6. Stocks

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Development properties	<u>3,096,840</u>	<u>2,629,028</u>

7. Debtors

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Trade debtors	204	204
Amounts owed by group undertakings	3,786,757	4,661,537
Corporation tax	14,704	-
Other debtors	<u>5,463</u>	<u>48,389</u>
	<u>3,807,128</u>	<u>4,710,130</u>

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

8. Creditors: amounts falling due within one year

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Trade creditors	189,387	541,989
Amounts owed to subsidiary undertakings	250,008	250,008
Corporation tax	-	374,125
Accruals and deferred income	625,969	631,390
Other creditors	<u>24,000</u>	<u>20,000</u>
	<u>1,089,364</u>	<u>1,817,512</u>

9. Creditors: amounts falling due after more than one year

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Accruals and deferred income (capital grants)	<u>1,177,755</u>	<u>1,048,110</u>

10. Share capital

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Authorised:		
4,170,480 stock units of 50p each	2,085,240	2,085,240
829,520 shares of 50p each	<u>414,760</u>	<u>414,760</u>
	<u>2,500,000</u>	<u>2,500,000</u>
Allotted, called up and fully paid		
4,170,480 stock units of 50 pence each	<u>2,085,240</u>	<u>2,085,240</u>

11. Reserves

	<u>Revaluation reserve</u>	<u>Profit and loss account</u>
	<u>£</u>	<u>£</u>
At 1 April 1995	797,000	1,711,419
Transfer to reserves	<u>-</u>	<u>163,313</u>
At 31 March 1996	<u>797,000</u>	<u>1,874,732</u>

TRIPLEX LLOYD PROPERTY DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1996

(continued)

12. Related Party Disclosure

The company is controlled by Triplex Lloyd Properties PLC, its immediate holding company. The ultimate holding company is Triplex Lloyd plc, a company incorporated in Great Britain and registered in England and Wales.

The consolidated financial statements of Triplex Lloyd plc are available to the public and may be obtained from Quayside House, Rounds Green Road, Oldbury, West Midlands, B69 2DH. No other Group financial statements include the results of the company. Accordingly, as permitted by FRS 8 Related Party Disclosure, the company is not required to disclose transactions with group companies qualifying as related parties.

13. Contingent liabilities

The company has given guarantees amounting to approximately £298,000 (1995: £600,000) in the ordinary course of business.