

Company Registration No. 598098 (England and Wales)

**FACTORY HOLDINGS GROUP LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2005**



# FACTORY HOLDINGS GROUP LIMITED

## COMPANY INFORMATION

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**Directors**

N G Ellis  
A R Wyatt  
N S K Shattock  
R J Worthington  
J R Hamilton Stubber

**Secretary**

S Dixon

**Company number**

598098

**Registered office**

16 Grosvenor Street  
London  
W1K 4QF

**Auditors**

KPMG Audit Plc  
8 Salisbury Square  
London  
EC4Y 8BB

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# FACTORY HOLDINGS GROUP LIMITED

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# **FACTORY HOLDINGS GROUP LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005**

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The directors present their report and financial statements for the year ended 31 March 2005.

### **Principal activities and review of the business**

The principal activity of the Company is property investment.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

### **Results and dividends**

The directors do not recommend payment of an ordinary dividend (2004:£nil).

### **Directors**

The following directors have held office since 1 April 2004:

N G Ellis  
A R Wyatt  
N S K Shattock  
R J Worthington  
J R Hamilton Stubber

### **Directors' interests**

There are no directors' interests requiring disclosure under the Companies Act 1985. The directors listed above at 31 March 2005, are also directors of the ultimate parent company and, as such, their interests in the share and loan capital of that company are shown in its directors' report.

### **Auditors**

The Company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, KPMG Audit Plc, will be deemed to be reappointed for each succeeding financial year.

### **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 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;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board



S Dixon  
**Secretary**  
21 November 2005

# **FACTORY HOLDINGS GROUP LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FACTORY HOLDINGS GROUP LIMITED**

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We have audited the financial statements on pages 3 to 7.

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 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 the directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 1, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, 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 March 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**KPMG Audit Plc**

**Chartered Accountants and  
Registered Auditor**

21 November 2005

8 Salisbury Square  
London  
EC4Y 8BB

# FACTORY HOLDINGS GROUP LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

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	Notes	2005 £	2004 £
<b>Result on ordinary activities before taxation</b>		-	-
Tax on result on ordinary activities	3	-	334,538
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation</b>	7	-	334,538
		<hr/>	<hr/>

There are no recognised gains and losses other than those passing through the profit and loss account.

# FACTORY HOLDINGS GROUP LIMITED

## BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
<b>Current assets</b>					
Debtors	4	295,212		347,562	
Creditors: amounts falling due within one year	5	-		(52,350)	
<b>Total assets less current liabilities</b>		<u>295,212</u>		<u>295,212</u>	
<b>Capital and reserves</b>					
Called up share capital	6		100		100
Profit and loss account	7		295,112		295,112
<b>Equity shareholders' funds</b>	8	<u>295,212</u>		<u>295,212</u>	

The financial statements were approved by the Board on 21 November 2005

  
R J Worthington  
Director

# FACTORY HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2005

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with all applicable accounting standards and the requirements of the Companies Act 1985.

Under the provision of FRS1 (Revised), the Company has not prepared a cashflow statement because its ultimate parent company, Quintain Estates and Development PLC, which is incorporated in Great Britain, has prepared consolidated financial statements which include the financial statements of the Company for the year and which contain a cashflow statement.

#### 1.2 Deferred taxation

Deferred tax is recognised on all timing differences that have originated but not reversed at the balance sheet date, except that as permitted by FRS 19, Deferred Tax, no provision is made for the tax on unrealised property revaluation surpluses. Deferred tax assets are recognised to the extent that they are considered recoverable.

### 2 Operating result

Auditors' remuneration has been wholly borne by the ultimate parent company, Quintain Estates and Development PLC in the current and prior year.

All of the directors who served during the year are also directors of the ultimate parent company. Their remuneration for services as directors to the group is wholly borne by and disclosed in the accounts of that company in the current and prior year.

### 3 Taxation

	2005 £	2004 £
<b>Current tax charge</b>	-	-
<b>Deferred tax</b>	-	(334,538)
<b>Factors affecting the tax charge for the year</b>		
Result on ordinary activities before taxation	-	-
Result on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2004: 30%)	-	-
Effects of:		
Capital allowances	-	334,538
Tax losses surrendered	-	(334,538)
<b>Current tax charge</b>	-	-

Group relief was surrendered in the prior year for nil payment.



# FACTORY HOLDINGS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

<b>4 Debtors</b>	<b>2005</b>	<b>2004</b>
	£	£
Amounts owed by group undertakings	295,212	347,562
<b>5 Creditors: amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	£	£
Amounts owed to group undertakings	-	52,350
<b>6 Share capital</b>	<b>2005</b>	<b>2004</b>
	£	£
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100
<b>7 Reserves</b>		<b>Profit and loss account</b>
		£
Balance at 1 April 2004 and 31 March 2005		295,112
<b>8 Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	£	£
Profit for the financial year	-	334,538
Opening shareholders' funds/(deficit)	295,212	(39,326)
Closing shareholders' funds	295,212	295,212
<b>9 Employees</b>		
<b>Number of employees</b>		
There were no employees during the year apart from the directors (2004:none).		

# **FACTORY HOLDINGS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005**

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### **10 Control**

The Company's immediate parent company is Estates Property Investment Company Limited and its ultimate parent company is Quintain Estates and Development PLC. The only group in which results of the Company are consolidated is that headed by Quintain Estates and Development PLC. Group financial statements are available on request from 16 Grosvenor Street, London, W1K 4QF.

### **11 Related party transactions**

The Company has taken advantage of the exemption in FRS 8, Related Party Disclosures, from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, Quintain Estates and Development PLC.