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D.O.B. ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 1984

*Touche Ross & Co.*



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D.O.B. ESTATE LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 1984

Touche Ross & Co.,  
Hill House,  
1 Little New Street,  
London, EC4A 3TR.



D.O.B. ESTATE LIMITEDBoard of Directors

Sydney Mason  
S. Ferrada  
D.W.A. Donald  
P.J. Henwood  
W. Tindale  
G.D. Gwilt  
N.G. Ellis

Secretary and Registered Office

R.S. Johnson,  
100 Park Lane,  
London W1Y 4AR.

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NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held at 100 Park Lane, London W1Y 4AR on *15 April* 1985 at *11-30am* to transact the ordinary business of the Company.

By Order of the Board

R.S. JOHNSON

Secretary

Registered Office:

100 Park Lane,  
London W1Y 4AR

15 April 1985

Notes:

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and that proxy need not also be a member. Any instrument appointing a proxy must be deposited at the Company's Registered Office by not later than 48 hours before the time fixed for the meeting.

D.O.B. ESTATE LIMITED

2,

REPORT OF THE DIRECTORS

YEAR ENDED 31st DECEMBER 1984

1. RESULTS FOR THE YEAR

- (a) The net profit for the year attributable to shareholders amounts to £1,263,633 (1983 restated as £939,513).
- (b) A dividend of £1,035,000 was paid during the year (1983 £1,150,000) and a profit of £228,633 (1983 deficit £(210,487)) transferred to reserves.

2. PRINCIPAL ACTIVITIES

The principal activity of the company has continued to be the business of property development and investment.

3. REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The level of income from the company's properties was satisfactory during the year and for 1985, normal reviews are expected to progress as anticipated.

4. PROPERTY ASSETS

The investment properties of the company have been valued at 31st December 1984 by those directors who are suitably qualified. Further particulars of changes in the property assets of the company and the valuations are given in note 7 of the financial statements.

5. DIRECTORS

- (a) Sydney Mason, S. Ferrada, D.W.A. Donald, P.J. Henwood, W. Tindale, G.D. Gwilt and N.G. Ellis were directors of the company throughout the year.
- (b) None of the directors has any interest in the shares of the company. Sydney Mason, S. Ferrada, D.W.A. Donald, W. Tindale, G.D. Gwilt and N.G. Ellis are directors of the holding company, The Hammerson Property Investment and Development Corporation plc, and details of their share interest therein are given in the financial statements of that company. P.J. Henwood has no interest in the shares of the holding company.
- (c) No director has any interest in contracts entered into by the company.
- (d) The directors retiring by rotation are Sydney Mason and P.J. Henwood who, being eligible, offer themselves for re-election.

6. CLOSE COMPANY STATUS

The company is not a close company within the meaning of the Income and Corporation Taxes Act 1970.

D.O.B. ESTATE LIMITED

REPORT OF THE DIRECTORS


YEAR ENDED 31st DECEMBER 1984  
(continued)

3.

7. AUDITORS

Touche Ross and Co., the company's auditors, have indicated their willingness to continue in office in accordance with the provisions of the Companies Act 1976.

By order of the Board

  
Secretary

15 April 1985

Registered office:  
100 Park Lane,  
London W1Y 4AR.

AUDITORS' REPORT TO THE MEMBERS

of

D.O.B. ESTATE LIMITED

We have audited the financial statements on pages 5 to 11 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the company's state of affairs at 31st December 1984 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

15 April 1985



Chartered Accountants

D.C.B. ESTATE LIMITED

5,

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 1984

	Notes	1984 £	1983 (as restated) £
Gross rental income	1	2,944,430	2,565,515
Rents payable and other property outgoings		<u>50,449</u>	<u>66,832</u>
Net rental income		2,893,981	2,498,683
Other income	2	<u>107,401</u>	<u>64,181</u>
Net rental and other income		3,001,382	2,562,864
Cost of finance, administration and other charges	3	<u>710,577</u>	<u>666,217</u>
Profit on ordinary activities before taxation		2,290,805	1,896,647
Tax on profit from ordinary activities	4	<u>1,027,172</u>	<u>957,134</u>
Profit for the financial year attributable to shareholders		<u>£1,263,633</u>	<u>£ 939,513</u>

Movements on the profit and loss account

Balance at 1 January as previously reported		505,258	722,844
Prior year adjustment	5	<u>51,737</u>	<u>44,638</u>
Balance at 1 January as restated		556,995	767,482
Profit for the year		1,263,633	939,513
Dividends	6	<u>(1,035,000)</u>	<u>(1,150,000)</u>
Balance at 31 December		<u>£ 785,628</u>	<u>£ 556,995</u>

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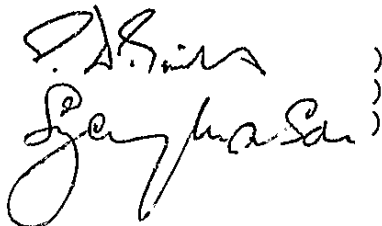
D.O.B. ESTATE LIMITED

6.

BALANCE SHEET at 31st DECEMBER 1984

	Note	1984 £	1983 (as restated) £
FIXED ASSETS			
TANGIBLE ASSETS			
Land and buildings	7	64,053,378	57,988,865
CURRENT ASSETS			
Debtors	8	241,004	266,939
Cash at bank and in hand		<u>1,125,386</u>	<u>775,378</u>
Total current assets		1,366,390	1,042,317
Creditors - amounts falling due within one year	9	<u>1,222,435</u>	<u>887,566</u>
NET CURRENT ASSETS		<u>143,955</u>	<u>154,751</u>
Total assets less current liabilities		64,197,333	58,143,616
Creditors - amounts falling due after more than one year	10	<u>7,978,833</u>	<u>7,363,918</u>
		<u>£56,218,500</u>	<u>£50,779,698</u>
CAPITAL AND RESERVES			
Called up share capital	11	115	115
Share premium account		2,247,844	2,247,844
Revaluation reserve	12	53,184,913	47,974,744
Profit and loss account		<u>785,628</u>	<u>556,995</u>
		<u>£56,218,500</u>	<u>£50,779,698</u>

The financial statements were approved by the Board of Directors on 15 April 1985.


 Directors



D.O.B. ESTATE LIMITED

7.

SOURCE AND APPLICATION OF FUNDS

YEAR ENDED 31st DECEMBER 1984

	1984 £	1983 (as restated) £
<b>SOURCE OF FUNDS</b>		
Profit on ordinary activities after taxation	1,263,633	939,513
Increase in mortgage debenture	<u>614,915</u>	<u>334,073</u>
	<u>1,878,548</u>	<u>1,266,487</u>
<b>APPLICATION OF FUNDS</b>		
Dividends paid	1,035,000	1,150,000
Expenditure on investment and development properties	<u>854,344</u>	<u>469,139</u>
	<u>1,889,344</u>	<u>1,619,139</u>
	£ (10,796)	£ (352,652)
	=====	=====
Increase/(decrease) in debtors	(25,935)	77,013
Increase in cash and bank balances	350,008	(250,753)
Increase in creditors	<u>(334,869)</u>	<u>(178,912)</u>
	£ (10,796)	£ (352,652)
	=====	=====

REPRESENTED BY:

D.O.B. ESTATE LIMITED

8.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 1984

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in compliance with the Companies Act 1981.

(b) Rental income

Rent increases arising from rent reviews due during the year are taken into account only to the extent that such reviews have been agreed with tenants at the accounting date. The company's policy for accruing property income and expenditure changed during the year (see note 5).

(c) Tangible assets - land and buildings

Fully completed properties held for long term retention are valued at open market value. Any surplus or deficit arising from such revaluation is transferred to a revaluation reserve except that shortfalls against the original cost are included as extraordinary items in the profit and loss account. Properties held for or in the course of development are stated at the lower of cost and net realisable value. No depreciation is provided in respect of investment or development properties.

(d) Deferred taxation

Provision is not made for deferred taxation that would arise on the disposal of any of the company's properties.

2. OTHER INCOME

	1984 £	1983 £
Interest receivable	107,401 =====	64,181 =====

3. COST OF FINANCE, ADMINISTRATION AND OTHER CHARGES

	1984 £	1983 £
(a) Interest payable and other charges:		
Long term mortgage debenture interest	700,700	653,984
Bank interest and charges	179	81
(b) Administrative expenses:		
Auditors' remuneration	9,698 =====	12,152 =====
	710,577 =====	666,217 =====

(c) The Chairman and directors did not receive any remuneration from the company in the year. The staff are remunerated by another group company.

D.O.B. ESTATE LIMITED

9.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 1984  
(continued)

4. TAX ON PROFITS FROM ORDINARY ACTIVITIES	1984	1983
	£	£
Over provision of corporation tax in previous years	(2,414)	-
Corporation tax at 46.25% (1983 50.5%) after relief for capital allowances	<u>1,029,586</u>	<u>957,134</u>
	<u>1,027,172</u>	<u>957,134</u>
5. PRIOR YEAR ADJUSTMENT	=====	=====

Rental income and related expenses have in prior years been accrued to the rental quarter day preceding the year end. Rental income and related expenditure is now accrued to the year end date. It is considered that the new policy will give a fairer presentation of the results and the financial position of the company. In restating the results for 1983 on the basis of the new policy, the gross rental income has increased by £7,606 and the rents payable and other property outgoings have increased by £507. The reserves have been adjusted accordingly.

6. DIVIDENDS	1984	1983
	£	£
Paid	1,035,000	1,150,000
7. LAND AND BUILDINGS	=====	=====

(a) The movements in the year on properties were:

	Freeholds £	Long Leaseholds £	Total £
At 1st January	57,248,865		
Additions at cost	854,344	740,000	57,988,865
Surplus arising from revaluation	<u>5,105,169</u>	-	854,344
		<u>105,000</u>	<u>5,210,169</u>
At 31st December	63,208,378	845,000	64,053,378
Valuation of investment properties	61,860,000	845,000	62,705,000
Cost of development properties	<u>1,348,378</u>	-	<u>1,348,378</u>
	<u>63,208,378</u>	<u>845,000</u>	<u>64,053,378</u>
Cost of investment properties at 31st December	<u>9,217,333</u>	<u>302,754</u>	<u>9,520,087</u>

NOTES TO THE FINANCIAL STATEMENTSYEAR ENDED 31st DECEMBER 1984  
(continued)

## 7. LAND AND BUILDINGS (continued)

- (b) Investment properties have been valued as at 31st December 1984 at open market value by Messrs. Sydney Mason FSVA, S. Ferrada FRICS, FSVA, W. Tindale FRICS all of whom are executive directors of the company. An additional surplus over net book value of £5,210,169 has been taken to revaluation reserve.
- (c) Should the properties be sold at the valuation in note 7(a) a tax liability of approximately £15,800,000 (1983 £14,700,000) would arise. No provision for this contingent liability has been made.

## 8. DEBTORS

	1984 £	1983 £
Trade debtors		
Prepayments	237,944	261,667
Other debtors	657	3,645
	<u>2,403</u>	<u>1,627</u>
	<u>241,004</u>	<u>266,939</u>

## 9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	1984 £	1983 £
Trade creditors		
Accruals	425,381	310,136
Other creditors	10,000	10,000
Taxation	202,396	99,873
Amount owed to holding company	361,793	389,600
Amount owed to fellow subsidiary company	222,865	77,289
	<u>-</u>	<u>668</u>
	<u>1,222,435</u>	<u>887,566</u>

## 10. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1984 £	1983 £
Secured:		
Mortgage Debenture	7,978,833	7,363,918
	<u>7,978,833</u>	<u>7,363,918</u>

- (a) Interest is payable at the rate of 9% per annum on the mortgage which is repayable in full on 30th September 2022.
- (b) The company's freehold properties have been charged to secure the mortgage debenture.

D.O.B. ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 1984  
(continued)

11. CALLED UP SHARE CAPITAL

1984 & 1983	
Authorised	Issued and
£	fully paid
	£
115	115
=====	=====

115 ordinary shares of £1 each

12. REVALUATION RESERVE

1984	1983
£	£
At 1st January	
47,974,744	41,797,660
Surplus arising on revaluation of investment properties (note 7)	
<u>5,210,169</u>	<u>6,177,084</u>
At 31 December	
<u>53,184,913</u>	<u>47,974,744</u>
=====	=====

13. HOLDING COMPANY

The ultimate holding company is The Hammerson Property Investment and Development Corporation plc which is incorporated in Great Britain.