

Company Number: 737202

BUSH DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

30 JUNE 1996



BUSH DEVELOPMENTS LIMITED

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30 June 1996

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BUSH DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The directors submit their report and financial statements for the eighteen months ended 30 June 1996.

ACTIVITIES

The main activity of the company is that of property development and investment. No changes are anticipated in the coming year.

FINANCIAL

The results for the period are shown in the profit and loss account on page 4. The directors do not recommend the payment of a dividend. The retained profit for the period amounted to £382,403.

FIXED ASSETS

Information relating to changes in fixed assets is given in notes 7 to 9 to the financial statements.

DIRECTORS

The directors during the period were as follows. Also shown are the interests of the directors and their families in the share capital of the ultimate holding company, JT Group Limited. None of the directors has any interest in the shares of the company.

		<u>Ordinary 10p shares</u>	
		30 June 1996	31 December 1994 or date of appointment
D W R Johnstone *	(Chairman)		
J G Pontin *			
N T G Miles	(appointed 28 April 1995)	43,365	43,365
D K Salmon	(appointed 28 April 1995)	-	-

* Indicates shareholdings disclosed in the financial statements of JT Group Limited.

JT Group Ltd carries liability insurance in respect of the directors and officers of its subsidiary undertakings.

INCOME AND CORPORATION TAXES ACT 1988

The company is a close company under the terms of the above Act.

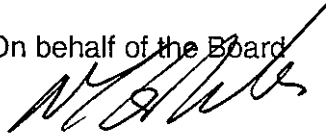
AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming annual general meeting.

Bush House
72 Prince Street
Bristol BS1 4HU

Date: 29 April 1997

On behalf of the Board


N T G Miles
Company Secretary

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 a 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.

REPORT OF THE AUDITORS, KPMG, TO THE MEMBERS OF

BUSH DEVELOPMENTS LIMITED

30 June 1996

We have audited the financial statements on pages 4 to 12.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 mis-statement, 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 30 June 1996 and of its profit for the eighteen months then ended and have been properly prepared in accordance with the Companies Act 1985.

Richmond Park House
15 Pembroke Road
Bristol
BS8 3BG



KPMG
Chartered Accountants
Registered Auditors

Date: 29 April 1997

BUSH DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

Eighteen months ended 30 June 1996

	Note	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
TURNOVER - continuing operations	2	787,541	587,256
Cost of sales		(723,798)	(484,662)
GROSS PROFIT		63,743	102,594
Administrative expenses		(116,036)	(98,933)
Trading (loss)/profit		(52,293)	3,661
Provision made against value of fixed asset investments		(99,323)	(429,633)
Income from fixed asset investments		79,930	48,500
Short term interest receivable	5	409,416	187,637
Loss on disposal of fixed asset investments		(100,398)	-
Provision for irrecoverable group balances written back/(made)		145,071	(188,812)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2,3,4	382,403	(378,647)
Tax on profit/(loss) on ordinary activities	6	-	(67,200)
Profit/(loss) for the financial period	13	382,403	(445,847)
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE PERIOD ENDED 30 JUNE 1996		18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
Profit/(loss) for the financial period		382,403	(445,847)
Unrealised surplus/(deficit) on revaluation of fixed asset investment		4,969	(6,585)
Total recognised gains and losses relating to the period		387,372	(452,432)

The notes on pages 6 to 12 form part of these financial statements.

BUSH DEVELOPMENTS LIMITED

BALANCE SHEET

30 June 1996

	Note	30 Jun 1996 £	31 Dec 1994 £
FIXED ASSETS			
Intangible assets	7	6,179	6,179
Tangible assets	8	35,474	60,991
Investments	9	1,533,033	2,845,515
		<u>1,574,686</u>	<u>2,912,685</u>
CURRENT ASSETS			
Development land and developments in progress	10	973,027	664,550
Debtors		5,112,969	4,281,536
Cash		4,794	1,388,023
		<u>6,090,790</u>	<u>6,334,109</u>
CREDITORS: Amounts falling due within one year	11	(6,674,271)	(8,642,961)
NET CURRENT LIABILITIES		<u>(583,481)</u>	<u>(2,308,852)</u>
		<u>991,205</u>	<u>603,833</u>
CAPITAL AND RESERVES			
Called up share capital	12	5,000,000	5,000,000
Other reserves	13	71,230	66,261
Profit and loss account	13	(4,080,025)	(4,462,428)
Total shareholders' funds	14	<u>991,205</u>	<u>603,833</u>

The notes on pages 6 to 12 form part of the financial statements.

These financial statements were approved by the board on 29 April 1997 and signed on its behalf by:



J G PONTIN
Director

NOTES TO THE ACCOUNTS

30 June 1996

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

a) Format

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt from the requirement to prepare group accounts, under S228 Companies Act 1988, and a cash flow statement, under Financial Reporting Standard 1, as it is a wholly owned subsidiary of an EC parent undertaking which produces consolidated financial statements including a consolidated cash flow statement.

It is the intention of the holding company, J T Group Limited, to continue to provide any necessary funding for the company for the foreseeable future.

b) Turnover

Turnover represents the gross value of developments sold, and rents and property management charges receivable.

c) Development land and developments in progress

Development land and developments in progress are valued at the lower of cost, excluding interest, and net realisable value.

d) Depreciation

Depreciation is not provided on freehold and long leasehold investment properties as it is the company's policy to maintain its properties in good condition to prolong their useful lives. The directors consider that this policy gives a true and fair view. Provision for depreciation of other tangible fixed assets is made on a straight line basis, at the following rates:

Office equipment	15%
Motor vehicles	25%

e) Ground Rents

Ground rents are included at directors valuation, which is six years purchase of the annual ground rent.

f) Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

g) Pension Costs

The accounting policy in respect of pension costs is explained in note 3.

30 June 1996

2. ANALYSIS OF TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The whole of the turnover and profit/(loss) on ordinary activities before taxation derives from the company's principal activity in the United Kingdom.

3. STAFF COSTS

	18 mnths to 30 Jun 1996	Year to 31 Dec 1994
Average number of employees	<u>9</u>	<u>11</u>
	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
Employee costs		
Wages and salaries	175,678	121,174
Social security costs	15,254	10,352
Other pension costs	3,294	2,190
	<u>194,226</u>	<u>133,716</u>

Pension Costs:

The company subscribes to a funded defined benefit scheme operated by JT Group Limited, with contributions based on pension costs across the group as a whole. The assets of the scheme are held separately from those of JT Group Limited, in an independently administered fund.

Contributions paid to the scheme and charged against profits are calculated with professional actuarial advice and represent a proper charge to cover the accruing liabilities on a continuing basis. The most recent actuarial valuation was carried out on 1 October 1994. The results of the latest actuarial valuation are shown in the accounts of the ultimate holding company, JT Group Limited.

The pension cost charge for the period was £3,294. (1994: £2,190).

BUSH DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

30 June 1996

4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
The profit/(loss) on ordinary activities before taxation is stated after charging:		
Auditors remuneration	4,798	3,500
Depreciation	26,596	17,603
Directors emoluments	-	-
	<u> </u>	<u> </u>

5. SHORT TERM INTEREST RECEIVABLE

	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
Intra-group	409,416	164,434
Short term deposits	-	23,203
	<u> </u>	<u> </u>
	409,416	187,637
	<u> </u>	<u> </u>

6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
Corporation tax/group relief payable at 33%	-	67,200
	<u> </u>	<u> </u>

The liability to taxation for the current period has been eliminated by group relief, for which no payment is made.

7. INTANGIBLE FIXED ASSETS

	30 Jun 1996 £	31 Dec 1994 £
Ground rent at directors' valuation:	6,179	6,179
	<u> </u>	<u> </u>

BUSH DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

30 June 1996

8. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold property £	Office equipment £	Motor vehicle £	Total £
COST OR VALUATION					
At beginning of period	1,405	2,950	117,662	-	122,017
Additions	-	-	2,930	-	2,930
Intra-group transfer	-	-	-	9,376	9,376
Disposals	(1,405)	-	(1,000)	(9,376)	(11,781)
At end of period	-	2,950	119,592	-	122,542
DEPRECIATION					
At beginning of period	-	-	61,026	-	61,026
Charge for period	-	-	26,596	-	26,596
Intra-group transfer	-	-	-	9,376	9,376
Disposals	-	-	(554)	(9,376)	(9,930)
At end of period	-	-	87,068	-	87,068
NET BOOK VALUE					
At beginning of period	1,405	2,950	56,636	-	60,991
At end of period	-	2,950	32,524	-	35,474

BUSH DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

30 June 1996

9. FIXED ASSET INVESTMENTS

Shares in subsidiary undertakings at net asset values:	£
At beginning of period	2,845,515
Additions	43,742
Disposals	(1,261,870)
Net provision for diminution in value of subsidiary undertakings	(94,354)
At end of period	1,533,033

The company's subsidiary undertakings, all of which are wholly owned and registered in England and Wales, are as follows:-

Activity:

Bush Property Investments Limited	Property investment
Windsor Terrace Limited	Property investment

Group financial statements are not submitted as the company is a wholly owned subsidiary of JT Group Limited.

10. DEBTORS

	30 Jun 1996 £	31 Dec 1994 £
Due within one year:		
Trade debtors	351,842	112,536
Loan owed by fellow subsidiary undertakings	4,663,087	4,008,880
Other debtors and prepayments	98,040	160,120
	<u>5,112,969</u>	<u>4,281,536</u>

BUSH DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS (continued)

30 June 1996

11. CREDITORS

	30 Jun 1996 £	31 Dec 1994 £
Trade creditors	349,174	271,825
Amounts owed to parent and fellow subsidiary undertakings	6,026,209	7,912,471
Tax and social security	3,657	2,804
Other creditors and accruals	295,231	455,861
	<u>6,674,271</u>	<u>8,642,961</u>

12. SHARE CAPITAL

	30 Jun 1996 £	31 Dec 1994 £
Authorised, allotted, called up and fully paid:		
Ordinary shares of £1 each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>

13. RESERVES

	Other reserves (unrealised) £	Profit and loss account £
At beginning of period	66,261	(4,462,428)
Retained profit for the period	-	382,403
Surplus on revaluation of fixed asset investment	4,969	-
	<u>71,230</u>	<u>(4,080,025)</u>
At end of period	71,230	(4,080,025)

30 June 1996

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	18 mnths to 30 Jun 1996 £	Year to 31 Dec 1994 £
Profit/(loss) for the period	382,403	(445,847)
Other recognised gains/(losses) relating to the period	4,969	(6,585)
	<hr/>	<hr/>
Net increase/(reduction) in shareholders' funds	387,372	(452,432)
Opening shareholders' funds	603,833	1,056,265
	<hr/>	<hr/>
Closing shareholders' funds	991,205	603,833
	<hr/>	<hr/>

15. CAPITAL COMMITMENTS

There were no capital commitments at 30 June 1996 or 31 December 1994.

16. ULTIMATE HOLDING COMPANY

The ultimate holding company is JT Group Limited, a company registered in England and Wales.

Copies of the group accounts are available to the public from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.