

*Company Registration No. 807706*

**TAYLOR WOODROW PROPERTY COMPANY LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**31 DECEMBER 1994**



**TAYLOR WOODROW PROPERTY COMPANY LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS 1994**

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## TAYLOR WOODROW PROPERTY COMPANY LIMITED

### REPORT OF THE DIRECTORS TO THE MEMBERS FOR THE YEAR ENDED 31 DECEMBER 1994

The directors submit their annual report and audited accounts of the company for the year ended 31 December 1994.

#### DIRECTORS

The following were directors for the whole of the financial year:

Messrs. K.R. Egerton (Chairman and Managing Director), D.A. Green, L.C. Parnell, J.H. Brooks, B.A. Judd, C.R. Knott and T.W. Thomas.

#### ACTIVITIES

The principal activity of the Company is property investment. There has been no significant change in this activity during the year.

The Board believes that, with the support of the parent company, the company possesses the necessary financial and technical resources with which to continue the development of the business and to take the benefit of future improvements in the economic situation.

#### RESULTS AND DIVIDEND

The results of the company for the year ended 31 December 1994 are set out in the profit and loss account on page 5. An interim dividend was paid on ordinary shares of £2,366,557 (1993 : £NIL). The directors recommend that a final dividend of £14,965,690 should be paid in respect of the year ended 31 December 1994 (1993 : £29,541,482) and that there should be a transfer to reserves of £1,742,887 (1993 : Loss £2,406,715).

#### INVESTMENT PROPERTIES AND OTHER TANGIBLE FIXED ASSETS

Summaries of movements of investment properties and other tangible fixed assets are given in notes 11 and 13 to the accounts.

A valuation of the company's freehold and leasehold investment properties was made at 31 December 1994, resulting in a net surplus of £4,724,875 on the 1993 valuations and this surplus has been incorporated in the accounts.

#### ELECTION OF DIRECTORS

Messrs. D.A. Green and B.A. Judd retire by rotation as directors and in accordance with the Articles of Association, being eligible, offer themselves for re-election.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED**

**REPORT OF THE DIRECTORS TO THE MEMBERS FOR THE YEAR ENDED  
31 DECEMBER 1994**

**DIRECTORS' INTERESTS IN SHARE AND LOAN CAPITAL OF THE COMPANY, ITS  
SUBSIDIARIES, ITS FELLOW SUBSIDIARIES AND THE ULTIMATE PARENT COMPANY**

The following directors held shares in the ultimate parent company.

Taylor Woodrow plc <u>25p Ordinary Shares</u>	At <u>1 January 1994</u>	At <u>31 December 1994</u>
J.H. Brooks	7,783	7,876
L.C. Parnell	8,934	10,539
B.A. Judd	8,074	5,000
C.R. Knott	13,782	13,782
T.W. Thomas	-	-

The following directors held options to acquire the following shares:

Taylor Woodrow plc <u>25p Ordinary Shares</u>	At <u>1 January 1994</u>	At <u>31 December 1994</u>
J.H. Brooks	38,101	38,023
L.C. Parnell	56,142	63,484
B.A. Judd	53,229	58,982
C.R. Knott	52,999	58,752
T.W. Thomas	40,298	48,098

The directors' interests in the above shares were beneficial.

Messrs. D.A. Green and K.R. Egerton are also directors of the ultimate parent company and the disclosure of their interests are given in the Report of the Directors of that company.

The directors have no interests in any other group companies.

**DIRECTORS' INTERESTS IN CONTRACTS**

No director had an interest in any contract or arrangement of a material nature with the company, its subsidiaries, its fellow subsidiaries or its ultimate parent company during the year under review.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****REPORT OF THE DIRECTORS TO THE MEMBERS FOR THE YEAR ENDED  
31 DECEMBER 1994****AUDITORS**

Touche Ross & Co. have expressed their willingness to continue in office as Auditors. An elective resolution dispensing with the need to reappoint Auditors on an annual basis has been passed.

Approved by the Board of Directors and signed on behalf of the Board.



C.R. Knott  
Secretary

24 March 1995

**DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS**

Company law requires the directors to prepare accounts 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 accounts the directors are required to:

- \* select appropriate accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed;
- \* prepare the accounts 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 which enable them to ensure that the accounts comply with the Companies Act. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**TAYLOR WOODROW PROPERTY COMPANY LIMITED**

We have audited the accounts and notes on pages 5 to 19 which have been prepared under the accounting policies set out on pages 8 to 10.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of accounts and notes. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts and notes. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and notes, 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 accounts and notes 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 accounts and notes.

Opinion

In our opinion the accounts and notes give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Touche Ross & Co.*

Touche Ross & Co.  
Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London EC4A 3TR

24 March 1995

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1994**

<u>CONTINUING OPERATIONS</u>	<u>Notes</u>	<u>1994</u> £	<u>1993</u> As restated (see note 10) £
<u>TURNOVER</u>	2	35,664,557	36,346,521
Cost of sales		(13,361,593)	(14,060,852)
<u>GROSS PROFIT</u>		22,302,964	22,285,669
Administrative expenses		(5,959,965)	(5,786,896)
<u>OPERATING PROFIT</u>		16,342,999	16,498,773
Income from shares in group undertakings		6,417,719	11,563,153
Income from other fixed asset investments		-	35,162
Amounts written back to investments		3,254,922	9,820,837
Profit on sale of properties		2,520,108	3,757,191
Amounts written back to investment properties		-	172,373
Profit on sale of shares in group undertakings		2,396,799	-
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		30,932,547	41,847,489
Interest receivable		177,840	188,339
Interest payable	4	(9,354,937)	(12,218,948)
Dividends - listed		-	1,637
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		21,755,450	29,818,517
Tax on profit on ordinary activities	8	(2,680,316)	(2,683,750)
<u>PROFIT FOR THE FINANCIAL YEAR</u>		19,075,134	27,134,767
Dividends	9	(17,332,247)	(29,541,482)
<u>PROFIT/(LOSS) RETAINED</u>	23	1,742,887	(2,406,715)

The notes on pages 8 to 19 form part of these accounts.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	<u>1994</u>	<u>1993</u> As restated (see note 10)
	£	£
Profit for the financial year	19,075,134	27,134,767
Unrealised surplus on revaluation of properties	4,724,875	19,834,913
Total recognised gains and losses relating to the year	23,800,009	46,969,680

**STATEMENT OF HISTORICAL COST PROFITS AND LOSSES**

	<u>1994</u>	<u>1993</u> As restated (see note 10)
	£	£
Reported profit on ordinary activities before taxation	21,755,450	29,818,517
Realisation of property revaluation gains/(losses) of previous years	2,705,114	(5,527,436)
Historical cost profit on ordinary activities before taxation	24,460,564	24,291,081
Historical cost profit/(losses) on ordinary activities after taxation and dividends	4,448,001	(7,934,151)

The notes on pages 8 to 19 form part of these accounts.




**TAYLOR WOODROW PROPERTY COMPANY LIMITED****BALANCE SHEET AT 31 DECEMBER 1994**

<u>ASSETS EMPLOYED</u>	<u>Notes</u>	<u>1994</u> £	<u>1993</u> As restated (see note 10) £
<u>Fixed assets</u>			
<u>Tangible fixed assets</u>			
Investment properties	11	212,087,000	238,577,000
Other fixed assets	13	462,464	595,305
<u>Investments</u>			
Group undertakings	15	97,008,884	34,674,450
Participating interests	16	13,305,216	1,882,894
		<u>322,863,564</u>	<u>275,729,649</u>
<u>Current assets</u>			
Debtors	17	24,399,763	37,617,171
Investments	18	75,083	75,083
Cash at bank and in hand		600	896,045
		<u>24,475,446</u>	<u>38,588,299</u>
<u>Creditors: amounts falling due within one year</u>	19	165,296,913	140,676,303
Net current liabilities		<u>(140,821,467)</u>	<u>(102,088,004)</u>
Total assets less current liabilities		<u>182,042,097</u>	<u>173,641,645</u>
<u>FINANCED BY</u>			
Creditors: amounts falling due after more than one year	20	85,293	152,603
		<u>85,293</u>	<u>152,603</u>
<u>Capital and Reserves</u>			
Called up share capital	21	172,000,000	170,000,000
Revaluation reserve	22	9,956,804	3,216,358
Profit and loss account	23	-	272,684
Total equity shareholders' funds	24	<u>181,956,804</u>	<u>173,489,042</u>
		<u>182,042,097</u>	<u>173,641,645</u>

The accounts were approved by the Board of Directors on 24 March 1995

Signed on behalf of the Board of Directors



Director

The notes on pages 8 to 19 form part of these accounts.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994****ACCOUNTING DEFINITIONS AND POLICIES**

The following accounting definitions and policies have been used consistently, unless otherwise stated, in dealing with items which are considered material.

**Basis of the accounts**

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention modified by the revaluation of certain properties.

**Turnover**

Turnover comprises gross rents receivable and the invoiced value of other sales.

**Profit on ordinary activities for the year**

The profit for the year includes the results of the year's operations. Realised profits or losses on the disposal of tangible assets other than investment properties are included in operating profit; such profits are calculated by reference to the carrying value of the asset.

**Investment properties**

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to the revaluation reserve. Any permanent diminution (or its reversal) in the value of investment properties below cost is charged (or credited) to the profit and loss account. No depreciation is provided in respect of investment properties.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

**Other fixed assets**

Depreciation on plant is calculated on a straight line basis to write off the cost over the estimated useful lives which range from 3 to 10 years.

# TAYLOR WOODROW PROPERTY COMPANY LIMITED

## NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994 (Continued)

### Deferred taxation

Deferred taxation is provided at the latest known tax rates for future liabilities resulting from the difference between the treatment of items in the accounts and their treatment for taxation purposes.

The potential liability to taxation on the surpluses on valuations of properties is not provided for in these accounts, except in respect of properties sold since the year end.

### Participating interests

A participating interest is defined as an undertaking other than a subsidiary undertaking or an unincorporated joint venture in which the company has a participating interest and over whose operating and financial policy it exercises a significant influence.

Participating interests are included in the balance sheet at cost less any reductions for permanent diminution in value. Premiums are written off against retained profit and loss account.

### Current asset investments

Current asset investments are stated at the lower of cost and net realisable value.

### Group undertakings

Investments are included in the balance sheet at the net asset values at the time of acquisition less post acquisition losses net of minority interests. Premiums on acquisitions are written off against retained profit and loss account.

Consolidated accounts have not been prepared as the accounts of the company and its wholly owned subsidiaries have been consolidated with those of the ultimate parent company.

### Overseas currencies

Exchange differences arising in the ordinary course of trading are reflected in the profit and loss account.

Assets and liabilities are translated into sterling at exchange rates ruling at the balance sheet date.

### Leased assets

Assets acquired under finance leases are capitalised at an amount equivalent to fair value with the corresponding liability recognised and are depreciated over the lower of the period of the lease terms and their useful lives. The attributable finance cost is charged to the profit and loss account over the lease term at a constant rate on the remaining liability. All other leases are operating leases and the rentals are wholly charged to the profit and loss account.

### Pensions

The company is a member of the group pension schemes operated through separate trustee administered funds. These schemes are of the defined benefit type and the company charges to profit and loss account its proportion of the group costs which are assessed in accordance with the advice of a professionally qualified actuary. Particulars of the scheme are contained in the accounts of the ultimate parent company.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)Post retirement benefits other than pensions

The group's contribution to the cost of health insurance for retired long service UK team members is borne by Taylor Woodrow Services Limited. Details of post-retirement health insurance are contained in the accounts of Taylor Woodrow Services Limited and Taylor Woodrow plc.

**2. ANALYSIS OF TURNOVER AND PROFIT ON ORDINARY ACTIVITIES  
BEFORE TAXATION**

	<u>Turnover</u>		<u>Profit</u>	
	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	£	£	£	As restated (see note 10) £
<u>By activity and market</u>				
Property development and investment in the United Kingdom	35,664,557	36,346,521	21,755,450	29,818,517
	<hr/>	<hr/>	<hr/>	<hr/>
Includes gross rent receivable of:	29,129,688	30,566,681		
	<hr/>	<hr/>		

**3. OPERATING PROFIT**

	<u>1994</u>	<u>1993</u>
	£	£
The operating profit includes:		
Rents on investment properties, less outgoings	22,116,507	21,721,079
and is after charging:		
Plant hire	138,912	192,851
Finance lease charges	12,515	32,423
Auditors' remuneration - audit services	19,635	28,544
Auditors' remuneration - other services	7,683	6,000
Depreciation - (note 5)	278,781	231,081
	<hr/>	<hr/>

**4. INTEREST PAYABLE**

Bank loans and overdrafts and other loans repayable within five years	-	6,323,616
Loans repayable on demand	9,354,937	5,895,332
	<hr/>	<hr/>
	9,354,937	12,218,948
	<hr/>	<hr/>
Interest payable comprises:		
Group loans	9,346,268	12,217,948
Other loans and overdrafts	8,669	1,000
	<hr/>	<hr/>
	9,354,937	12,218,948
	<hr/>	<hr/>

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**5. DEPRECIATION**

	<u>1994</u>	<u>1993</u>
	£	£
Short leasehold properties	-	4,440
Plant	278,781	226,641
Net loss on disposal of plant	12,253	1,179
	<u>291,034</u>	<u>232,260</u>

**6. DIRECTORS' EMOLUMENTS**

	<u>1994</u>	<u>1993</u>
	£	£
Directors' emoluments, including pension contributions, were:		
Remuneration for executive services	634,558	655,985
The emoluments, excluding pension contributions, of the Chairman (who was also the highest paid director) were:	<u>157,218</u>	<u>141,257</u>
The number of directors whose emoluments, excluding pension contributions, fell within the following ranges was:	<u>Number</u>	<u>Number</u>
Nil - £5,000	1	1
£50,001 - £55,000	-	1
£55,001 - £60,000	-	1
£60,001 - £65,000	-	1
£65,001 - £70,000	2	1
£70,001 - £75,000	1	2
£75,001 - £80,000	1	-
£80,001 - £85,000	1	1
£140,001 - £145,000	-	1
£155,001 - £160,000	1	-
	<u>      </u>	<u>      </u>

Payments to former directors following retirement from office: - £30,000 (1993 : £Nil).

TAYLOR WOODROW PROPERTY COMPANY LIMITEDNOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994 (Continued)7. PARTICULARS OF TEAM MEMBERS

	<u>1994</u> Number	<u>1993</u> Number
Average number employed United Kingdom	77	72
Remuneration	£	£
Wages and salaries	2,493,556	2,466,261
Social security costs	251,401	238,083
Other pension costs	272,305	241,322
	<u>3,017,262</u>	<u>2,945,666</u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1994</u> £	<u>1993</u> £
Based on the results for the year:		
United Kingdom tax		
Corporation tax at 33% (1993 - 33%) Before group relief	2,402,496	3,447,166
	<u>2,402,496</u>	<u>3,447,166</u>
Deferred tax	-	(137,000)
Overseas tax - current	1,186,463	3,561,178
Relief for overseas tax	(1,172,496)	(3,013,166)
	<u>2,416,463</u>	<u>3,858,178</u>
Prior years		
United Kingdom corporation tax	263,853	(990,428)
Deferred tax	-	(184,000)
	<u>2,680,316</u>	<u>2,683,750</u>

9. DIVIDENDS ON ORDINARY SHARES

	<u>1994</u> £	<u>1993</u> £
Interim paid of 1.38p per share (1993 - 0p)	2,366,557	-
Proposed final of 8.7p per share (1993 - 17.38p)	14,965,690	29,541,482
	<u>17,332,247</u>	<u>29,541,482</u>

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**10. PRIOR YEAR RESTATEMENT**

The prior year restatement represents the effect of a change in the accounting policy for investment property revaluations following the Accounting Standard Board's amendment to SSAP19 and the company discontinuing the practice of capitalising interest.

The SSAP19 amendment requires that any changes, other than those that are permanent, in the market value of investment properties should not be taken to the profit and loss account but should be taken to the statement of recognised gains and losses (being a movement on the revaluation reserve). The 1993 comparative figures have been restated to comply with the amendment to SSAP19.

SSAP19 previously required that the amount by which an aggregate deficit exceeded the amount in the investment revaluation reserve to be charged to the profit and loss account. The effects of the restatement can be seen in notes 22 and 23. The prior period restatement gives rise to a cumulative credit adjustment to the profit and loss reserve at 1 January 1993 of £25,197,262. The change results in a decrease in profit before tax in 1993 of £24,965,620 and a decrease in profit for that financial year of £24,965,620.

The company considers it prudent to discontinue the practice of capitalising the cost of specific finance during the construction phase of commercial, industrial and mixed development properties. Interest of £3,448,000 previously included within the cost of these properties has been written off. The effect of the restatement can be seen in notes 22 and 23 and gives rise to a cumulative debit adjustment to the profit and loss reserve of £3,448,000 which relates to 1992 and prior periods.

**11. INVESTMENT PROPERTIES**

	<u>Freehold</u>	<u>Long</u> <u>Leasehold</u>	<u>Total</u>
	£	£	£
<b><u>COST AND VALUATION</u></b>			
1 January 1994	144,402,000	94,175,000	238,577,000
Additions	15,328,111	1,936,014	17,264,125
Disposals	(33,929,000)	(14,550,000)	(48,479,000)
Net surplus on valuation	1,182,889	3,541,986	4,724,875
31 December 1994	126,984,000	85,103,000	212,087,000
<b><u>REPRESENTING</u></b>			
Properties valued:			
- cost	144,731,487	64,898,710	209,630,197
- net surplus/(deficit)	(17,747,487)	20,204,290	2,456,803
Valuation in 1994	126,984,000	85,103,000	212,087,000

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**11. INVESTMENT PROPERTIES** (Continued)

On 8 March 1989 the ultimate parent company issued £80m 9.5% First Mortgage Debenture Stock 2014. On 1 October 1990 the ultimate parent company repurchased £35.5m of the stock. On 9 March 1994 the ultimate parent company issued a further £55.5m 9.5% First Mortgage Debenture Stock 2014. The stock is secured on certain of the freehold and long leasehold investment properties of the company.

**12. REVALUATION**

The investment properties of the company were valued at £212,087,000 as at 31 December 1994 (1993: £238,577,000), on an open market basis. Knight, Frank & Rutley valued property which amounted to £209,703,000 (1993: £236,645,000). An officer of the company, who is a member of the Royal Institution of Chartered Surveyors, valued property which amounted to £2,384,000 (1993: £1,932,000).

**13. OTHER FIXED ASSETS**

	<u>Freehold Properties</u> £	<u>Plant</u> £	<u>Total</u> £
<b><u>COST</u></b>			
1 January 1994	60,701	1,906,964	1,967,665
Additions	-	220,050	220,050
Disposals	(60,701)	(534,333)	(595,034)
31 December 1994	-	1,592,681	1,592,681
<b><u>DEPRECIATION</u></b>			
1 January 1994	-	1,372,360	1,372,360
Disposals	-	(520,924)	(520,924)
Charge for year	-	278,781	278,781
31 December 1994	-	1,130,217	1,130,217
<b><u>NET VALUES</u></b>			
31 December 1994	-	462,464	462,464
31 December 1993	60,701	534,604	595,305

**14. FUTURE CAPITAL EXPENDITURE NOT PROVIDED FOR IN THE ACCOUNTS**

	<u>1994</u> £	<u>1993</u> £
Contracts authorised but not placed	3,881,000	-



**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)

<b>15. <u>INVESTMENT IN GROUP UNDERTAKINGS</u></b>	£
<u>COST</u>	
1 January 1994	38,287,426
Additions	66,721,055
Disposals	(7,148,657)
31 December 1994	97,859,824
<u>AMOUNTS PROVIDED</u>	
1 January 1994	3,612,976
Reduction for the year	(2,762,036)
31 December 1994	850,940
<u>NET VALUES</u>	
31 December 1994	97,008,884
31 December 1993	34,674,450

In the opinion of the directors the aggregate value of the shares in and amounts owing from the group undertakings is not less than the aggregate of the amounts at which they are stated in the company's balance sheet.

	<u>Country of Incorporation/ Registration</u>	<u>Percentage holding</u>
<b><u>PARTICULARS OF GROUP UNDERTAKINGS</u></b>		
Taylor Woodrow Developments Ltd	England and Wales	100%
Churchill Square Management Co. Ltd	England and Wales	100%
Taylor Woodrow Property Management Ltd	England and Wales	100%
Hanger Lane Holdings Ltd	England and Wales	100%
*Taylor Woodrow Capital Developments Ltd	England and Wales	100%
Hillstar Developments Ltd	England and Wales	100%
*Wrights Lane Investments Ltd	England and Wales	100%
Taylor Woodrow Chippindale Properties Ltd	England and Wales	100%
*Taylor Woodrow Chippindale Leisure Ltd	England and Wales	100%
St. Katharine By The Tower Ltd	England and Wales	100%
*St. Katharine Dock Co. Ltd	England and Wales	100%
*Pennant Investments Ltd	England and Wales	100%
*St. Katharine Haven Ltd	England and Wales	100%
*More Street Management Co. Ltd	England and Wales	100%
*World Trade Centre In London Ltd	England and Wales	100%
*Clipper Investments Ltd	England and Wales	100%

All subsidiaries are engaged in property related activities.

\*Interest held by subsidiary companies

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**16. INVESTMENT IN PARTICIPATING INTERESTS**

	<u>Unlisted Shares</u> £	<u>Loans</u> £	<u>Total</u> £
<u>COST</u>			
1 January 1994	28,559,136	2,428,131	30,987,267
Additions	5,913,421	9,318,269	15,231,690
Reductions	-	(2,429,000)	(2,429,000)
31 December 1994	34,472,557	9,317,400	43,789,957
<u>AMOUNTS PROVIDED</u>			
1 January 1994	26,676,242	2,428,131	29,104,373
Charge for the year	2,429,000	-	2,429,000
Reduction for the year	(78,265)	(970,367)	(1,048,632)
31 December 1994	29,026,977	1,457,764	30,484,741
<u>NET VALUES</u>			
31 December 1994	5,445,580	7,859,636	13,305,216
31 December 1993	1,882,894	-	1,882,894

Additions to share capital and reductions in loans relate to the capitalisation of loans to St. Mary Abbots Limited and to the reclassification of the investment in shares in Taylor Woodrow Property Holdings Pty Ltd on a reduction in the shareholding.

The director's estimate of the value of unlisted investments was in excess of £13,305,216 (1993 : £2,000,000).

	<u>Country of Registration</u>	<u>Percentage holding</u>
<u>PARTICULARS OF PARTICIPATING INTERESTS</u>		
Capital Living plc	England and Wales	40%
St. Mary Abbots Limited	England and Wales	50%
Taylor Woodrow Property Holdings Pty. Ltd	England and Wales	50%

Taylor Woodrow Property Holdings Pty Ltd is engaged in property investment and development within Australia, the other companies are engaged in property investment or development within the United Kingdom.

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**17. DEBTORS**

	<u>1994</u> £	<u>1993</u> £
Receivable within one year:		
Trade debtors	5,194,059	5,398,552
Group undertakings		
- parent	-	631,429
- fellow subsidiaries	-	7,527
- subsidiaries	16,989,820	29,097,775
Undertakings in which the group has a participating interest	44,200	29,459
Other debtors	530,180	714,521
Prepayments and accrued income	1,641,504	1,737,908
	<u>24,399,763</u>	<u>37,617,171</u>

**18. INVESTMENTS HELD AS CURRENT ASSETS**

Unlisted in the United Kingdom	75,083	75,083
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The directors' estimate of the value of unlisted investments was £75,000 (1993 : £55,253).

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>1994</u> £	<u>1993</u> £
Trade creditors	2,701,846	2,998,889
Group undertakings		
- parent	132,686,107	78,164,358
- fellow subsidiaries	423,345	2,898,055
- subsidiaries	431,276	4,863,051
Undertakings in which the group has a participating interest	-	280,502
Taxation	2,290,573	379,341
Other creditors	780,250	7,756,174
Accruals and deferred income	11,017,826	13,794,451
Dividend	14,965,690	29,541,482
	<u>165,296,913</u>	<u>140,676,303</u>

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994** (Continued)**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>1994</u>	<u>1993</u>
	£	£
Trade creditors	85,293	152,603

**21. CALLED UP SHARE CAPITAL**

	<u>1994</u>	<u>1993</u>
	£	£
<u>Authorised</u>		
200,000,000 ordinary shares of £1 each (1993 - 200,000,000)	200,000,000	200,000,000
<u>Called up and fully paid</u>		
172,000,000 ordinary shares of £1 each (1993 - 170,000,000)	172,000,000	170,000,000

During the year the company issued 2,000,000 ordinary £1 shares for cash and applied the proceeds of the issue in reduction of Group indebtedness.

**22. REVALUATION RESERVE**

	<u>1994</u>	<u>1993</u>
	£	£
1 January		
- as previously reported	-	-
- prior year restatement (note 10)	(231,642)	(25,197,262)
- prior year restatement (note 10)	3,448,000	3,448,000
- as restated	3,216,358	(21,749,262)
Realised and transferred to profit and loss account	2,015,571	5,130,707
Net surplus on property valuations	4,724,875	19,834,913
31 December	9,956,804	3,216,358

Revaluation reserve includes surpluses arising on revaluation of properties which, if realised at 31 December 1994, would have given rise to a maximum taxation liability estimated at £NIL (1993 : £Nil)

**23. RETAINED PROFIT AND LOSS ACCOUNT**

	<u>1994</u>	<u>1993</u>
	£	£
1 January		
- as previously reported	3,489,042	(13,939,156)
- prior year restatement (note 10)	231,642	25,197,262
- prior year restatement (note 10)	(3,448,000)	(3,448,000)
- as restated	272,684	7,810,106
Transfer from revaluation reserve	(2,015,571)	(5,130,707)
Profit/(loss) for the year retained	1,742,887	(2,406,715)
31 December	-	272,684

**TAYLOR WOODROW PROPERTY COMPANY LIMITED****NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994 (Continued)****24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>1994</u> £	<u>1993</u> As restated (see note 10) £
Profit for the financial year	19,075,134	27,134,767
Dividends	(17,332,247)	(29,541,482)
	<u>1,742,887</u>	<u>(2,406,715)</u>
Other recognised gains and losses relating to the year (net)	4,724,875	19,834,913
Increase in share capital	2,000,000	-
Net increase in shareholders' funds	<u>8,467,762</u>	<u>17,428,198</u>
Opening shareholders' funds	173,489,042	156,060,844
Closing shareholders' funds	<u><u>181,956,804</u></u>	<u><u>173,489,042</u></u>

**25. FINANCE LEASE OBLIGATIONS**

	<u>1994</u> £	<u>1993</u> £
Net obligations under finance leases	161,512	273,415
Minimum lease payments payable:		
Within one year	76,219	113,431
Within two to five years	85,293	159,984
	<u><u>161,512</u></u>	<u><u>273,415</u></u>

**26. CONTINGENT LIABILITIES**

Contingent liabilities are in respect of performance bonds and agreements entered into in the normal course of business by the subsidiary company Taylor Woodrow Developments Limited.

**27. ULTIMATE PARENT COMPANY**

The company's ultimate parent company is Taylor Woodrow plc, which is incorporated in Great Britain and registered in England and Wales.

The largest group of undertakings for which group accounts are drawn up and of which the company is a member, is the Taylor Woodrow plc Group. No other group accounts are prepared. Copies of the Taylor Woodrow plc accounts are available to the public from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.