

Company number 1414523

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

REPORT AND ACCOUNTS

30 SEPTEMBER 1995

AB109



# TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

## DIRECTORS' REPORT

The directors have pleasure in submitting their Report and Statement of Accounts for the year ended 30 September 1995.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity is as a holding company for subsidiaries engaged in house building and commercial development.

### RESULTS

The results for the year are set out in the profit and loss account on page 3. Retained losses of £3,681,296 (1994 - profit £24,176,022) have been transferred to reserves.

### DIVIDENDS

The directors do not recommend a dividend.

### FIXED ASSETS - INVESTMENTS

Details of the movements in fixed asset investments during the year are given in note 6 to the accounts.

### DIRECTORS

The directors of the Company during the year were:

J W S Fletcher	(resigned 10 March 1996)
A R Winter	
J D Low	(resigned 26 February 1996)
R P Lowes	(resigned 18 January 1995)
D C Henderson	(resigned 23 February 1996)

On 23 February 1996 T C Garnham and G P Kelly were appointed directors of the Company.

During the year the ultimate parent undertaking, Trafalgar House Public Limited Company, maintained insurance for directors and officers against liabilities in relation to its subsidiary companies.

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' SHARE INTERESTS

Given below are details of the interests in the Shares and Debentures of Trafalgar House Public Limited Company (the ultimate parent undertaking) at 30 September 1994, or subsequent date of appointment, and at 30 September 1995 of the directors of the Company at that latter date who were not also directors of Trafalgar House Public Limited Company.

These figures include interests acquired under the terms of Trafalgar House Public Limited Company's profit sharing and share option schemes.

	<u>30 September 1995</u>			<u>30 September 1994</u> (or subsequent date of appointment)		
	Convertible Cumulative Preference Shares of 6p each	Ordinary Shares of 20p each	Share Options	Convertible Cumulative Preference Shares of 6p each	Ordinary Shares of 20p each	Share Options
J D Low	2,028	6,457	146,147	2,208	6,213	136,487
D C Henderson	607	1,883	121,142	607	1,858	126,844

AUDITORS

Pursuant to Section 386 of the Companies Act 1985 an elective resolution to dispense with the obligation to appoint auditors annually was passed at an Extraordinary General Meeting of the Company held on 23 July 1991.

By Order of the Board

  
G P KELLY  
Secretary

10 Bedford Street  
London WC2E 9HE

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed;
- d) 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.

AUDITORS' REPORT TO THE MEMBERS

OF

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, 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 our audit so as to obtain all the information and explanations considered necessary to give reasonable assurance that the financial statements are free from 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 30 September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG*

KPMG  
Chartered Accountants and Registered Auditors

8 Salisbury Square  
London EC4Y 8BD

*4 April 1996*

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 1995

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
<u>AMOUNTS WRITTEN OFF INVESTMENTS</u>		
<u>(REQUIRED)/NOT REQUIRED (note 6)</u>	(3,681,184)	24,176,022
<u>INTEREST PAYABLE AND SIMILAR</u>		
<u>CHARGES) (note 3)</u>	(112)	-
<u>(LOSS)/PROFIT ON ORDINARY CONTINUING</u>		
<u>ACTIVITIES BEFORE TAXATION (note 4)</u>	(3,681,296)	24,176,022
<u>TAXATION - ON (LOSS)/PROFIT ON</u>		
<u>ORDINARY ACTIVITIES (NOTE 5)</u>	-	-
<u>RETAINED (LOSS)/PROFIT FOR</u>		
<u>THE FINANCIAL YEAR (note 8)</u>	(3,681,296)	24,176,022
	=====	=====

The notes on pages 6 to 9 form part of these accounts.

The Company has no recognised gains or losses other than the loss for the financial year. Accordingly a statement of total recognised gains and losses has not been prepared.

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

BALANCE SHEET AT 30 SEPTEMBER 1995

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>		
Investments (note 6)	374,642,788	378,323,972
<u>CURRENT ASSETS</u>		
<u>DEBTORS: Amounts falling due</u>		
<u>within one year</u>		
Amount owed by immediate		
parent undertaking	218,869,637	218,869,637
Amount owed by subsidiary		
undertaking	450,000	-
Amount owed by fellow		
subsidiary undertaking	-	2
	<u>219,319,637</u>	<u>218,869,639</u>
<u>CREDITORS: Amounts falling due</u>		
<u>within one year</u>		
Amounts owed to subsidiary		
undertakings	(542,330,396)	(541,880,394)
Amount owed to fellow		
subsidiary undertaking	(110)	(2)
	<u>(542,330,506)</u>	<u>(541,880,396)</u>
<u>NET CURRENT LIABILITIES</u>	(323,010,869)	(323,010,757)
<u>TOTAL ASSETS LESS CURRENT</u>		
<u>LIABILITIES</u>	51,631,919	55,313,215
	=====	=====
<u>CAPITAL AND RESERVES</u>		
Called up equity share		
capital (note 7)	573,000,100	573,000,100
Equity reserves		
Profit and loss account		
(note 8)	(521,368,181)	(517,686,885)
	<u>51,631,919</u>	<u>55,313,215</u>
<u>SHAREHOLDERS' FUNDS</u>	=====	=====

The notes on pages 6 to 9 form part of these accounts.

These accounts were approved by the Board of Directors on  
and signed on its behalf by:

  
G P KELLY  
Director

4 April 1996

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
(Loss)/profit for the financial year	(3,681,296)	24,176,022
Capital subscribed	-	11,000,000
Net (reduction)/addition to shareholders' funds	(3,681,296)	35,176,022
Opening shareholders' funds	55,313,215	20,137,193
Closing shareholders' funds	51,631,919 =====	55,313,215 =====



TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS AT 30 SEPTEMBER 1995

1. ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking is Trafalgar House Public Limited Company, which is registered in England and Wales. Copies of the Report and Accounts of Trafalgar House Public Limited Company are available from The Company Secretary's office at 1 Berkeley Street, London W1A 1BY.

2. 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) Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified for the revaluation of certain fixed assets and include the results of activities described in the directors' report, which are continuing.

(b) Basis of preparation

The Company is exempt by virtue of section 228 of the Companies Act 1985 from the requirements to prepare group accounts.

(c) Cash flow statement

The Company has taken advantage of the exemption under the rules of FRS1 not to produce a cash flow statement. The appropriate amounts have been included in the consolidated accounts of Trafalgar House Public Limited Company.

(d) Taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts to the extent that it is probable that a liability or asset will crystallise in the future.

(e) Fixed asset investments

Shares in subsidiary undertakings are stated at cost less amounts written off.

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS AT 30 SEPTEMBER 1995 (CONTINUED)

3. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
Short term loans (repayable within five years)	110	-
Inter-company	2	-
	<u>112</u>	<u>-</u>
	=====	=====

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

None of the directors received any emoluments from the Company during the year (1994 - £NIL).

Staff costs and auditors' remuneration were borne by a subsidiary undertaking.

5. TAXATION

There is no charge for Corporation Tax as the Company has not incurred a taxable profit for the year. Relief for the loss will be surrendered to other companies in the group for no consideration.

There is no potential liability to deferred taxation.

6. INVESTMENTS

£

Shares in subsidiary undertakings

At 1 October 1994 (cost £915,059,934) 378,323,972

Amounts written off to Profit and Loss (3,681,184)

At 30 September 1995 (cost £915,059,934) 374,642,788

=====

Listed below are the principal subsidiary undertakings. These subsidiaries are wholly-owned, incorporated in Great Britain, registered in England and Wales and engaged in private house building, property investment or property development in the country of incorporation.

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS AT 30 SEPTEMBER 1995 (CONTINUED)

6. INVESTMENTS (continued)

Trafalgar House Property Limited (direct subsidiary)

- Broadextra Limited
- Cowley Park Developments Limited
- Davy Monk Developments Limited
- Davy Property Holdings Limited
- Davy Property Investments Limited
- Goldquill Properties Limited
- Paddington Basin Developments Limited
- Trafalgar House Baltic Limited
- Trafalgar House Brooklands Limited
- Trafalgar House Business Parks Limited
- Trafalgar House Developments Limited
- Trafalgar House Estates Limited

Ideal Homes Holdings plc (direct subsidiary)

- Ideal Developments Limited
- Ideal Homes Limited

Comben Group PLC (direct subsidiary)

- Bruce Fletcher (Leicester) Limited

Chase Property Holdings PLC (direct subsidiary)

- Chase Property Holdings (Northern) PLC
- Covenant Guarantors Limited
- Crofthaven Properties Limited
- Dreadnought Developments Limited
- Dreadnought Properties Limited
- E P Securities Limited
- Premier Securities Limited
- Property Holding & Investment Trust PLC
- Property Selection & Investment Trust Limited
- Welcomeunique Limited

On 26 January 1996 the shares in Ideal Homes Holdings plc were transferred to a fellow subsidiary undertaking and also on that date the shares in Comben Group PLC were transferred to the Company's ultimate parent undertaking.

TRAFALGAR HOUSE PROPERTY (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS AT 30 SEPTEMBER 1995 (CONTINUED)

7. CALLED UP EQUITY SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted and Fully Paid</u>	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	573,000,100	573,000,100	573,000,100	573,000,100
	=====	=====	=====	=====

8. PROFIT AND LOSS ACCOUNT

	<u>£</u>
At 1 October 1994 - (deficit)	(517,686,885)
Retained loss for the financial year	(3,681,296)
	-----
At 30 September 1995 - (deficit)	(521,368,181)
	=====