



THAMESOWN PROPERTIES LIMITED

Report and Financial Statements

31 March 1996

**Deloitte & Touche
Columbia Centre
Market Street
Bracknell
Berkshire
RG12 1PA**





REPORT AND FINANCIAL STATEMENTS 1996

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REPORT AND FINANCIAL STATEMENTS 1996

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

E Jacobson
G R J Snell

SECRETARY

Radlett Secretaries Limited

REGISTERED OFFICE

The Limes
Sampson Park
St Marks Road
Binfield
Bracknell
Berkshire
RG42 4BN

BANKERS

Barclays Bank Plc
Watford Business Commercial Centre
32 Clarendon Road
Watford
Herts
WD1 1LD

Anglo Irish Bank Corp
13th Floor
Moor House
119 London Wall
London
EC2Y 5ET

SOLICITORS

Memery Crystal
31 Southampton Row
London
WC1B 5HT

AUDITORS

Deloitte & Touche
Chartered Accountants
Columbia Centre
Market Street
Bracknell
Berkshire
RG12 1PA

**DIRECTOR'S REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 1996.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was that of property development and investment.

REVIEW OF THE BUSINESS AND FUTURE PROSPECTS

The property is being marketed with a view to sale in the near future.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend (1995: £nil) and propose to transfer to reserves £2,529 (1995: £115,788 from reserves).

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1. The directors had no interest in the share capital of the company or the immediate parent company during the year.

AUDITORS

On 1 February 1996 our auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report using their new name. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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

G R J Snell

Director

27 January 1997

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

- 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. 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.



Chartered Accountants

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AUDITORS' REPORT TO THE MEMBERS OF

THAMESOWN PROPERTIES LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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 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 at 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and
Registered Auditors

27 January 1997

PROFIT AND LOSS ACCOUNT
Year ended 31 March 1996

	Note	1996 £	1995 £
TURNOVER	2	107,895	75,779
Administrative expenses		<u>(59,555)</u>	<u>(174,317)</u>
OPERATING PROFIT/(LOSS)		48,340	(98,538)
Interest receivable and similar income		1,025	2,007
Interest payable and similar charges	4	<u>(45,991)</u>	<u>(44,773)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,374	(141,304)
Tax on profit/(loss) on ordinary activities	5	<u>(845)</u>	<u>25,516</u>
Retained profit/(loss) for the year transferred to/(from) reserves	13	2,529	(115,788)
Retained loss brought forward		<u>(808,013)</u>	<u>(692,225)</u>
Retained loss carried forward		<u><u>(805,484)</u></u>	<u><u>(808,013)</u></u>

There are no recognised gains or losses for the current and prior years other than as stated above which arise from continuing activities.

BALANCE SHEET
31 March 1996

	Note	1996 £	1995 £
CURRENT ASSETS			
Stocks	6	650,000	650,000
Debtors	7	52,613	37,953
Investments	8	450	450
Cash at bank and in hand		30,073	26,199
		<u>733,136</u>	<u>714,602</u>
CREDITORS: amounts falling due within one year	9	<u>(55,667)</u>	<u>(50,205)</u>
NET CURRENT ASSETS		<u>677,469</u>	<u>664,397</u>
CREDITORS: amounts falling due after more than one year	10	<u>(1,472,953)</u>	<u>(1,462,410)</u>
		<u>(795,484)</u>	<u>(798,013)</u>
CAPITAL AND RESERVES			
Called up share capital	12	10,000	10,000
Profit and loss account		<u>(805,484)</u>	<u>(808,013)</u>
EQUITY SHAREHOLDERS' FUNDS	13	<u>(795,484)</u>	<u>(798,013)</u>

These financial statements were approved by the Board of Directors on 27 January 1997.

Signed on behalf of the Board of Directors



G R J Snell

Director

NOTES TO THE ACCOUNTS
Year ended 31 March 1996

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention. The company is reliant on the continued financial support of its ultimate parent company. The ultimate parent company has indicated that such support will be forthcoming and accordingly the financial statements have been prepared on a going concern basis.

Stock

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

2. TURNOVER

Turnover arises in the United Kingdom and is derived from the following sources:

- revenues arising from interests in land and development properties sold to outside customers at completion price. These revenues are recognised on completion.
- property rentals arising from the letting of unsold flats within the development property.

3. OPERATING PROFIT/(LOSS)

	1996 £	1995 £
Operating profit/(loss) is after charging:		
Auditors' remuneration	1,400	1,700
Write down of property	-	132,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE

	1996 £	1995 £
On loans and overdrafts repayable:		
Bank overdraft	-	197
Bank loan	45,991	44,576
	<u> </u>	<u> </u>
	45,991	44,773
	<u> </u>	<u> </u>

The above includes interest in respect of borrowings repayable within five years £nil (1995 - £197).

NOTES TO THE ACCOUNTS
Year ended 31 March 1996

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

	1996 £	1995 £
United Kingdom corporation tax at 25% (1995 - 33%) based on the profit/(loss) for the year	<u>845</u>	<u>(25,516)</u>

There is no provided or unprovided deferred taxation liability.

6. STOCKS

	1996 £	1995 £
Stocks consist of the following:		
Properties held for resale	<u>650,000</u>	<u>650,000</u>

Stock represents a freehold property. The company does not intend to hold the property for its long term potential. The historical cost of stock is £926,000.

The freehold property was valued by External Valuers, Keningtons, Chartered Surveyors, as at 18 January 1996, on the basis of Open Market Value, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

The property was valued at £650,000. The directors do not believe that there has been any diminution in value since this date.

7. DEBTORS

	1996 £	1995 £
Trade debtors	3,335	-
Amounts due from parent undertaking	25,516	-
Other debtors	11,128	37,069
Prepayments and accrued income	<u>12,634</u>	<u>884</u>
	<u>52,613</u>	<u>37,953</u>

8. CURRENT ASSET INVESTMENT

	1996 £	1995 £
Unquoted investment at cost	<u>450</u>	<u>450</u>

NOTES TO THE ACCOUNTS

Year ended 31 March 1996

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Anglo Irish Bankcorp (see note 11(a))	32,688	32,688
Corporation tax	845	-
Other taxation and social security costs	1,430	1,430
Other creditors	11,188	9,450
Accruals and deferred income	9,516	6,637
	<u>55,667</u>	<u>50,205</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Amounts owed to parent company (see note 11(b))	1,062,641	1,018,764
Anglo Irish Bankcorp (see note 11(a))	410,312	443,646
	<u>1,472,953</u>	<u>1,462,410</u>

11. LOANS

(a) Mortgage from Anglo Irish Bankcorp is secured by:

- i) A first legal charge over the freehold property of St Giles Tower, Havill Street, London SE5.
- ii) Fixed and floating charge over all the assets of the company and
- iii) An all monies guarantee provided by Bishopstone Holdings Limited.

This loan is repayable by instalments. £233,994 falls due after 5 years from the balance sheet date.

(b) The loan from the parent company is secured by a fixed and floating charge over all the assets of the company, subject to a first secured debenture held by Anglo Irish Bankcorp. The loan includes accumulated interest and is repayable between one and two years from the balance sheet date.

12. CALLED UP SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	1996 No.	1995 No.	1996 £	1995 £
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

NOTES TO THE ACCOUNTS
Year ended 31 March 1996

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit/(loss) for the financial year	2,529	(115,788)
Net increase/(reduction) in shareholders' funds	2,529	(115,788)
Opening shareholders' funds	(798,013)	(682,225)
Closing shareholders' funds	(795,484)	(798,013)

14. FINANCIAL COMMITMENTS

There were no commitments to capital expenditure as at 31 March 1996.

15. IMMEDIATE AND ULTIMATE PARENT COMPANY

The company's immediate parent company is Leverpark Properties Limited, a company incorporated in England and Wales. Leverpark Properties Limited claims exemption from the requirement to produce group accounts under Section 228 of the Companies Act 1985. Consequently the accounts of Thamesown Properties Limited are not incorporated in to the accounts of Leverpark Properties Limited.

The directors regard Bishopstone Holdings Limited (formerly ICS Holdings Limited), a company incorporated in Jersey, Channel Islands, as the ultimate parent company.