

Globe Brothers Estates Limited
Annual report
for the year ended 30 September 1997

Registered no: 242985



Coopers
& Lybrand

Globe Brothers Estates Limited

Annual report for the year ended 30 September 1997

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Directors and advisers

Directors

R H Dickinson
S Dickinson
P M Milburn
A R Cunningham
G J Davis
B A Crumbley

Secretary and registered office

G J Davis
Chaucer Buildings
Grainger Street
Newcastle upon Tyne
NE1 5LE

Registered Auditors

Coopers & Lybrand
Hadrian House
Higham Place
Newcastle upon Tyne
NE1 8BP

Solicitors

Dickinson Dees
Cross House
Westgate Road
Newcastle upon Tyne
NE99 1SB

Bankers

Barclays Bank Plc
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3PN

**Directors' report
for the year ended 30 September 1997**

The directors present their report and the audited financial statements for the year ended 30 September 1997.

Principal activities and review of business

The company did not trade in the year and does not intend to do so in the foreseeable future. As a result no profit and loss account has been prepared.

Dividend

The directors do not recommend the payment of a dividend (1996: £Nil).

Directors

The directors who served during the year and to the date of this report were:

R H Dickinson (Chairman)
S Dickinson
P M Milburn
G J Davis
B A Crumbley
A R Cunningham (appointed 20 May 1997)

The directors have no beneficial interest in the share capital of the company. The beneficial interests of Mr R H Dickinson, Mr S Dickinson, Mr P M Milburn and Mr A R Cunningham in the shares of the ultimate holding company, Grainger Trust p.l.c., are shown in the annual report of Grainger Trust p.l.c..

The beneficial interests of the other directors in the shares of Grainger Trust p.l.c. were as follows:

	30 September 1997 Number	30 September 1996 Number
G J Davis	13,092	11,746
B A Crumbley	7,261	13,364

Directors share options at 30 September 1997

		Ordinary shares of 25p each			
Option price	Date exercisable	Mr G J Davis		Mr B A Crumbley	
		1997	1996	1997	1996
Revenue approved schemes					
448p	3 Jan 1992 to 3 Jan 1999	20,000	20,000	20,000	20,000
128.4p	19 July 1994 to 18 July 2001	20,000	20,000	20,000	20,000
342.5p	23 Dec 1999 to 23 Dec 2006	-	-	-	-
LTIP scheme					
267.1p	9 July 2000 to 9 July 2007	8,911	-	8,911	-
SAYE scheme					
214p	5 Aug 2002 to 5 Feb 2003	8,060	-	8,060	-
Total number of share options		56,971	40,000	56,971	40,000

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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.


The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 September 1997. The directors also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand will be proposed at the Annual General Meeting.

By order of the board


Secretary
30.1.98

**Report of the auditors to the members of
Globe Brothers Estates Limited**

We have audited the financial statements on pages 5 to 8.

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 30 September 1997 and have been properly prepared in accordance with the Companies Act 1985.

Cooper & Lybrand

Chartered Accountants and Registered Auditors
Newcastle upon Tyne

30 January 1998

Balance sheet at 30 September 1997

	Notes	1997 £	1996 £
Current assets			
Debtors	3	4,142	4,142
Creditors: amounts falling due within one year	4	(4,142)	(4,142)
Net current assets		-	-
Net assets		-	-
Capital and reserves			
Called up share capital	5	759,069	759,069
Profit and loss account	6	(759,069)	(759,069)
Equity shareholders' funds		-	-

The financial statements on pages 5 to 8 were approved by the board of directors on 30 January 1998 and were signed on its behalf by:

McCunnigh

Director

**Notes to the financial statements
for the year ended 30 September 1997****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Cash flow

The company is a wholly owned subsidiary of Grainger Trust p.l.c. and the cash flows of the company are included in the consolidated cash flow statement of Grainger Trust p.l.c.. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

2 Directors and employees

There are no persons holding service contracts with Globe Brothers Estates Limited.

None of the directors received any remuneration from the company during the year, or in the previous year.

3 Debtors

	1997	1996
	£	£
Amounts falling due within one year:		
Trade debtors	946	946
Amounts owed by parent company and fellow subsidiaries	3,196	3,196
	<u>4,142</u>	<u>4,142</u>

4 Creditors: amounts falling due within one year

	1997 £	1996 £
Amounts owed to parent company and fellow subsidiaries	<u>4,142</u>	<u>4,142</u>

5 Called up share capital

	1997 £	1996 £
Authorised		
800,000 ordinary shares of £1 each	<u>800,000</u>	<u>800,000</u>
Allotted, called up and fully paid		
759,069 ordinary shares of £1 each	<u>759,069</u>	<u>759,069</u>

6 Profit and loss account

	£
At 1 October 1996 and 30 September 1997	<u>(759,069)</u>

7 Contingent liabilities

The company, in conjunction with certain of its fellow subsidiaries, has guaranteed mortgages and loans of £64,380,000 of certain fellow subsidiaries by means of a floating charge over its assets.

8 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard No. 8 and has not disclosed transactions with companies that are part of the Grainger Trust p.l.c. group.

Mr R H Dickinson was a partner in Dickinson Dees, Solicitors until 31 March 1997. Total net payments, which have been made on normal commercial terms from Grainger Trust p.l.c and its subsidiaries to Dickinson Dees for the year ended 30 September 1997 amounted to £376,134 (1996: £453,966).

9 Controlling parties

The directors regard Grainger Investment Properties Limited, a company registered in England and Wales, as the immediate controlling party and parent company by virtue of its 100% shareholding in the company.

The directors regard Grainger Trust p.l.c., a company registered in England and Wales, as the ultimate controlling party and parent company by virtue of its majority shareholding. Copies of the parent's consolidated financial statements may be obtained from Chaucer Buildings, 57 Grainger Street, Newcastle upon Tyne, NE1 5LE.