

CHARTERHOUSE PLC

INTERIM FINANCIAL STATEMENTS

14 December 1998

Registered Number 288819



**PROFIT AND LOSS ACCOUNT FOR THE PERIOD
FROM 1 JANUARY 1998 TO 14 DECEMBER 1998**

		Period ended 14 December 1998 £m	Year ended 31 December 1997 £m
	Notes		
Income from subsidiary undertakings	3	52.3	71.1
Investment income		-	0.1
Administrative expenses		(12.0)	(8.1)
Profit on ordinary activities before interest		40.3	63.1
Interest receivable and similar income		0.1	0.1
Interest payable and similar charges		(0.1)	(0.1)
Profit on ordinary activities before taxation		40.3	63.1
Tax credit/(charge) on ordinary activities	4	2.7	(4.1)
Profit on ordinary activities after taxation		43.0	59.0
Dividends	5	(43.4)	(60.5)
Retained loss for the financial period/year		(0.4)	(1.5)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. INTERIM FINANCIAL STATEMENTS

The financial statements are prepared for the purpose of a proposed distribution by the company, as required by section 270 of the Companies Act 1985.

2. ACCOUNTING POLICIES

a Basis of preparation

The financial statements are prepared under the historical cost convention, modified by the revaluation of investments in subsidiary undertakings, in accordance with applicable accounting standards and comply with section 226 of, and Schedule 4 to the Companies Act 1985.

b Investments in subsidiary undertakings

Investments in subsidiary undertakings are included in the interim financial statement at the directors' valuation.

c Deferred Taxation

Provision is made for deferred taxation using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

d Income Recognition

Income from subsidiary undertakings and investment income has been accounted for on a receivable basis. All other income items are accounted for on an accruals basis.

3. INCOME FROM SUBSIDIARY UNDERTAKINGS

	Period ended 14 December 1998 £m	Year ended 31 December 1997 £m
Dividends received including related tax credits	<u>52.3</u>	<u>71.1</u>

4. TAX (CREDIT)/CHARGE ON ORDINARY ACTIVITIES

	Period ended 14 December 1998 £m	Year ended 31 December 1997 £m
United Kingdom Corporation tax at 31% (1997: 31.5%)	(3.7)	2.0
Tax credits on franked investment income	1.0	2.1
	<u>(2.7)</u>	<u>4.1</u>

5. DIVIDENDS

	Period ended 14 December 1998 £m	Year ended 31 December 1997 £m
First interim dividend paid at 2.1pence per share (1997: 10.5p)	6.0	30.0
Proposed second interim dividend at 13.14 pence per share (1997: 10.7p)	37.4	30.5
	<u>43.4</u>	<u>60.5</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

6. SHARES IN SUBSIDIARY UNDERTAKINGS

	14 December 1998 £m	31 December 1997 £m
Cost/net worth:-		
At 1 January	183.1	179.1
Revaluation of group undertakings	-	4.0
	<hr/> 183.1	<hr/> 183.1
At balance sheet date	<hr/> <hr/> 183.1	<hr/> <hr/> 183.1

7. LOANS TO SUBSIDIARY UNDERTAKINGS

	14 December 1998 £m	31 December 1997 £m
Myrayarn Limited	1.0	1.0
Charterhouse Tilney Securities Limited	3.0	3.0
Charterhouse Project Equity Finance Limited	7.6	2.8
Charterhouse Property Funds (Holding) Limited	1.3	-
	<hr/> 12.9	<hr/> 6.8
	<hr/> <hr/> 12.9	<hr/> <hr/> 6.8

8. AMOUNTS DUE FROM SUBSIDIARY UNDERTAKINGS

	14 December 1998 £m	31 December 1997 £m
Deposit with banking subsidiary undertaking	50.3	20.8
Group relief receivable	0.4	-
Dividends receivable	-	30.0
Other	0.1	0.1
Corporation tax recoverable	3.7	-
	<hr/> 54.5	<hr/> 50.9
	<hr/> <hr/> 54.5	<hr/> <hr/> 50.9

9. CALLED UP SHARE CAPITAL

	14 December 1998 £m	31 December 1997 £m
Authorised 300,000,000 (1997: 300,000,000) ordinary shares of 25p each	75.0	75.0
Authorised 2,200,000 (1997: 2,200,000) redeemable shares of £1 each	2.2	2.2
	<hr/> 77.2	<hr/> 77.2
	<hr/> <hr/> 77.2	<hr/> <hr/> 77.2
Allotted and fully paid 284,614,156 (1997: 284,614,156) ordinary shares of 25p each	71.2	71.2
Allotted and fully paid 2,041,600 (1997: 2,041,600) redeemable shares of £1 each	2.0	2.0
	<hr/> 73.2	<hr/> 73.2
	<hr/> <hr/> 73.2	<hr/> <hr/> 73.2

NOTES TO THE INTERIM FINANCIAL STATEMENTS

10. RESERVES

	Share Premium £m	Revaluation Reserve £m	Profit and Loss £m	Total £m
At 1 January 1998	42.2	76.8	0.6	119.6
Revaluation during period	-	-	-	-
Loss for the period	-	-	(0.4)	(0.4)
At 14 December 1998	<u>42.2</u>	<u>76.8</u>	<u>0.2</u>	<u>119.2</u>