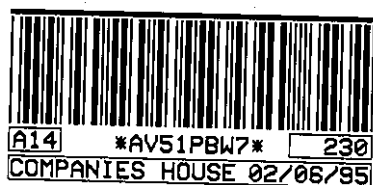


**RENOWN INVESTMENTS (HOLDINGS) LIMITED**

**Company number: 683698**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 1994**

**KPMG  
Chartered Accountants  
Registered Auditors  
London**



# **RENOWN INVESTMENTS (HOLDINGS) LIMITED**

## **REPORT OF THE DIRECTORS**

**For the year ended 31 December 1994**

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### **BUSINESS REVIEW**

The company continued to carry out its principal activities, property development, investment and management.

The results for the year are set out in the Profit & Loss Account on page 4.

### **DIRECTORS**

Directors who held office at the end of the year:

P J Costain  
W Gerretsen  
A C Lovell

P J Hill (resigned 14.2.94)

Directors' liability indemnity cover is maintained by the ultimate parent company, Costain Group PLC.

**BY ORDER OF THE BOARD**



**B W RACE**  
**SECRETARY**

### **REGISTERED OFFICE**

111 Westminster Bridge Road  
London SE1 7UE

Date:

**1 MAY 1995**

# **RENOWN INVESTMENTS (HOLDINGS) LIMITED**

## **STATEMENT OF DIRECTORS RESPONSIBILITIES**

**For the year ended 31 December 1994**

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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 and of the profit or loss of the company for that period. The directors are required to ensure that those financial statements are based on suitable accounting policies consistently applied, are prepared on the going concern basis and are supported by judgements and estimates that are reasonable and prudent, and identify and explain any material departures from applicable accounting standards.

The directors are also responsible for keeping proper accounting records and they have general responsibility for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# RENOWN INVESTMENTS (HOLDINGS) LIMITED

## REPORT OF THE AUDITORS

For the year ended 31 December 1994

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### To the Members of Renown Investments (Holdings) Limited

We have audited the financial statements on pages 4 to 9.

### Respective responsibilities of directors and auditors

As described on page 2 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 of 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.

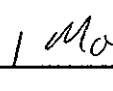
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the company 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.

  
\_\_\_\_\_  
KPMG  
Chartered Accountants  
Registered Auditors  
LONDON

[Date]

 1 May 1995  
\_\_\_\_\_

**RENOWN INVESTMENTS (HOLDINGS) LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31 December 1994**

	Notes	1994 £	1993 £
Turnover	1	1,944,303	241,848
Cost of Sales		(1,668,929)	(6,319)
Gross profit		<u>275,374</u>	<u>235,529</u>
Administrative expenses		(10,042)	(2,262)
Operating profit		<u>265,332</u>	<u>233,267</u>
Interest receivable		-	333
Amounts written off investments		-	(700,000)
Loss on sale of fixed assets		-	(959,106)
Profit/(loss) on ordinary activities before taxation from continuing operations		<u>265,332</u>	<u>(1,192,239)</u>
Taxation	4	<u>(115,260)</u>	<u>(77,545)</u>
Profit/(loss) on ordinary activities after taxation		150,072	(1,269,784)
Retained profit/(deficit) for the year		<u>150,072</u>	<u>(1,503,051)</u>

All turnover and operating profit are attributable to continuing operations.

There were no recognised gains or losses other than the profit for the year and prior year deficit.

Movements on reserves are set out in note 11.

**THE NOTES ON PAGES 6 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS**

**RENOWN INVESTMENTS (HOLDINGS) LIMITED****BALANCE SHEET****As at 31 December 1994**

	Notes	1994 £	1993 £
<b>Fixed assets</b>			
Tangible assets	5	8,087,424	8,081,424
<b>Current assets</b>			
Stocks	6	-	1,590,000
Debtors	7	3,274,879	3,446,993
Cash at bank		-	128,109
		<u>3,274,879</u>	<u>5,165,102</u>
<b>Creditors amounts falling due within one year</b>	8	(221,078)	(114,330)
<b>Net current assets</b>		3,053,801	5,050,772
<b>Total assets less current liabilities</b>		11,141,225	13,132,196
<b>Creditors amounts due after more than one year</b>	9	(8,665,140)	(10,806,183)
		<u>2,476,085</u>	<u>2,326,013</u>
<b>Capital and reserves</b>			
Called up share capital	10	5,075,100	5,075,100
Profit and loss account	11	(2,599,015)	(2,749,087)
		<u>2,476,085</u>	<u>2,326,013</u>

The financial statements were approved by the Board of Directors on  
and were signed on its behalf by:

**1 MAY 1995****P J COSTAIN**

Director

**THE NOTES ON PAGES 6 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS**

# **RENOWN INVESTMENTS (HOLDINGS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 1994**

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### **1. ACCOUNTING POLICIES**

#### **Basis of Accounting**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and under the historical cost accounting rules, modified to include the revaluation of certain investment properties (see investment properties note below).

#### **Cash Flow Statement**

As the cash flow statement in the consolidated accounts of the ultimate parent company, Costain Group PLC, complies with the conditions of Financial Reporting Standard No 1 ("FRS 1"), the company is exempt under FRS 1 from the requirement to prepare a separate cash flow.

#### **Turnover**

Turnover represents amounts receivable for letting of properties, and the sale of a property held for resale.

#### **Investment Properties**

Profits on disposal of investment properties are calculated by reference to their carrying value.

#### **Depreciation**

In accordance with Statement of Standard Accounting Practice 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The directors consider that this treatment, which represents a departure from the Companies Act 1985, is necessary in order to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Taxation**

Deferred taxation is provided at the latest relevant rates in respect of all timing differences which, in the opinion of the directors, are expected to reverse in the foreseeable future.

No provision is made for the potential liability of corporation tax on the unrealised revaluation surplus in respect of the investment properties as these are held as long term investments.

If the investment properties had been sold at their 31 December 1994 values, a tax liability of £nil (1993 £nil) would have arisen.

#### **Stock**

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

# RENOWN INVESTMENTS (HOLDINGS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended 31 December 1994

### 2. Profit on ordinary activities before exceptional items

	1994	1993
	£	£
Profit on ordinary activities is after charging:		
Auditors remuneration - audit	1,500	900

### 3. Emoluments of directors

No emoluments were paid to the directors of the company during the year (1993 nil).

### 4. Taxation

	1994	1993
	£	£
On profits for the year:		
United Kingdom Corporation tax at 33% (1993 33%)	115,250	77,545
Adjustments in respect of prior years	10	-
	<u>115,260</u>	<u>77,545</u>

### 5. Tangible assets

#### Investment properties

#### Land and Buildings

	Freehold	Leasehold		Total
		Over 50 years	50 years and under	
At 1 January 1994	7,938,924	142,500	-	8,081,424
Additions	6,000	-	-	6,000
At 31 December 1994	<u>7,944,924</u>	<u>142,500</u>	<u>-</u>	<u>8,087,424</u>