

NORTHERN TRUST COMPANY LIMITED

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NORTHERN TRUST COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 1991

The Directors present their report, together with the financial statements for the Company & Group for the year ended 31st March 1991.

Principal Activities & Review of Business Operations

The principal activity of the Group continued to be that of Financiers, the owning and letting of property, investors in private limited companies, the provision of leisure facilities and the sale of licensed premises.

Dividends

The Directors recommend that no dividend be declared for the year ended 31st March 1991.

Fixed Assets

The changes in fixed assets during the year are set out in Notes 12, 13 and 14 of the Accounts.

Directors

The Directors during the year and at the date of issue of this report were:-

Mr T J Hemmings	- Chairman
Mr W McNab	- Chief Executive
Mr J G Brown	
Mr F J Livesey	
Mr J D Procter	
Mr G Furlong	- appointed 5th February 1991

In accordance with the Articles of Association Messrs T J Hemmings and W McNab retire by rotation and being eligible they offer themselves for re-election. Mr G Furlong, being appointed by the Board during the year, and eligible for re-appointment, offers himself for re-election.

Directors' Interests in Shares of the Company

	<u>At 01.04.1990</u>	<u>At 31.3.1991</u>
Mr T J Hemmings	3,998,996	3,998,996
Mr W McNab	-	-
Mr J G Brown	-	-
Mr F J Livesey	-	-
Mr J D Procter	-	-
Mr G Furlong	-	-

NORTHERN TRUST COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH 1991

Substantial Shareholdings

At the date of the report the only holdings in excess of 5% of the Company's share capital were those of the following director:-

	<u>Number of Ordinary Shares</u>	<u>% of Capital</u>
Mr T J Hemmings	3,996,996	99.97%

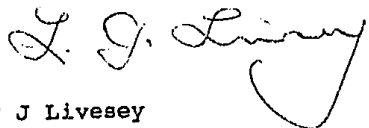
Close Company

The close company provisions of the Income and Corporation Taxes Act 1988 do apply.

Auditors

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Pomfrets as auditors to the Company will be put to the Annual General Meeting.

By Order of the Board



Mr F J Livesey  
SECRETARY

REPORT OF THE AUDITORS

to the members of Northern Trust Company Limited

We have audited the financial statements on pages 5 to 23 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group at 31st March 1991 and of the Group's profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



POMFRETS

Chartered Accountants  
Preston

May 1991

NORTHERN TRUST COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 1991

	<u>Notes</u>	<u>1991</u>		<u>1990</u>
		£	£	£
<u>Fixed Assets</u>				
Intangible Assets	(12)	204,762		259,762
Tangible Assets	(13)	27,115,653		23,198,588
Investments	(14)	5,417,347		5,246,291
		<u>32,737,762</u>		<u>28,704,641</u>
<u>Current Assets</u>				
Stocks	(15)	725,561		602,320
Debtors	(16)	2,220,562		1,525,829
Cash at Bank and in Hand		915,186		802,511
		<u>3,861,309</u>		<u>2,930,660</u>
<u>Creditors: Amounts falling due within one year</u>	(17)	12,779,842		10,508,400
Net Current Liabilities		<u>(8,918,533)</u>		<u>(7,577,740)</u>
Total Assets less Current Liabilities		23,819,229		21,126,901
<u>Creditors:</u>				
Amounts falling due after more than one year	(18)	14,889,155		12,461,832
		<u>8,930,074</u>		<u>8,665,069</u>
		=====		=====
<u>Capital and Reserves</u>				
Called up Share Capital	(22)	1,000,000		1,000,000
Other Reserves		75,085		75,085
Revaluation Reserve	(24)	5,671,345		5,671,345
Profit and Loss Account	(23)	2,183,644		1,918,639
		<u>8,930,074</u>		<u>8,665,069</u>
		=====		=====

Approved by the Board on 21<sup>st</sup> Aug 1991.

T J Hemmings, Director

W McNab, Director

*T J Hemmings*  
*W McNab*

The Notes on pages 10 to 23 form an integral part of these Accounts.

NORTHERN TRUST COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH 1991

		<u>1991</u>		<u>1990</u>	
	<u>Notes</u>	£	£	£	£
<u>Fixed Assets</u>					
Intangible Assets	(12)		10,000		10,000
Tangible Assets	(13)		15,834,963		13,411,791
Investments	(14)		3,125,133		2,817,091
			<u>18,970,096</u>		<u>16,238,882</u>
<u>Current Assets</u>					
Debtors	(16)	2,015,851		1,574,633	
Cash at Bank and in Hand		292		9,963	
		<u>2,016,143</u>		<u>1,584,596</u>	
<u>Less Creditors:</u>					
Amounts falling due within one year	(17)	7,193,130		5,271,065	
Net Current (Liabilities)			(5,176,987)		(3,686,469)
Total Assets less Current Liabilities			<u>13,793,109</u>		<u>12,552,413</u>
<u>Less Creditors:</u>					
Amounts falling due after more than one year	(18)		6,657,549		5,029,998
			<u>7,135,560</u>		<u>7,522,415</u>
			=====		=====
<u>Capital and Reserves</u>					
Called up Share Capital	(22)		1,000,000		1,000,000
Revaluation Reserve	(24)		5,671,345		5,671,345
Profit and Loss Account	(23)		464,215		851,070
			<u>7,135,560</u>		<u>7,522,415</u>
			=====		=====

Approved by the Board on 21<sup>st</sup> AUG. 1991.

T J Hemmings, Director

W McNab, Director

The Notes on pages 10 to 23 form an integral part of these Accounts.

NORTHERN TRUST COMPANY LIMITED

CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31ST MARCH 1991

1990

	£	£	£	£
<u>Source of Funds</u>				
Profit on Ordinary Activities before Taxation		347,020		587,827
Adjustments for Items not involving the movement of Funds:-				
Depreciation	141,349		98,155	
(Profit)/Loss on Sale of Fixed Assets	(136,698)	4,651	(240,865)	(142,710)
<u>Funds Generated from Operations</u>		<u>351,671</u>		<u>445,117</u>
<u>Funds from Other Sources</u>				
Proceeds from Sale of Goodwill		55,000		-
Proceeds from Sale of Fixed Assets		711,789		406,490
Investment transferred to Goodwill		-		55,000
Corporation Tax Refund		213,862		-
Proceeds from Sale of Investment		236,986		-
Subsidiary Balance Written Off		1,022		-
Increase in Creditors Due after more than One Year		2,427,323		6,251,349
		<u>3,997,653</u>		<u>7,157,956</u>
<u>Application of Funds</u>				
Purchase of Fixed Assets		4,547,483		8,331,838
Purchase of Goodwill		-		214,762
Purchase of Investments		154,042		108,917
Amounts Capitalised on to Investments		204,000		290,000
Corporation Tax Paid		313,551		57,628
Amount Capitalized on Fixed Assets		135,000		547,000
Legal Costs Re Sale of Fixed Assets		-		4,050
Interest on Corporation Tax		65,205		14,622
Franked Investment Tax		365,466		345,506
		<u>5,784,747</u>		<u>9,914,323</u>
<u>Decrease in Working Capital</u>		<u>(1,788,116)</u>		<u>(2,756,367)</u>
		=====		=====

NORTHERN TRUST COMPANY LIMITED

CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31ST MARCH 1991

CONTINUED

1990

£ £ £ £

Components of (Decrease)/Increase  
in Working Capital

Stocks	123,241	594,308
Debtors	785,516	64,373
Creditors Falling due Within One Year	(318,176)	(748,341)
	<u>590,581</u>	<u>(89,660)</u>

Movement in Net Liquid Funds:  
Increase/(Decrease) in Cash at Bank  
and in Hand  
(Increase) in Bank Overdraft

	112,675	449,555
	(2,492,394)	(3,116,262)
	<u>(1,789,138)</u>	<u>(2,756,367)</u>
	*****	*****



NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Accounts are prepared under the historical cost convention.

(b) Basis of Consolidation

The Consolidated Accounts incorporate the Accounts of the Company and each of its subsidiaries for the year ended 31st March 1991.

(c) Depreciation

Freehold land and buildings are not depreciated. The freehold property is maintained as a matter of company policy by a programme of repair and refurbishment such that the residual value of the property, taken as a whole, is at least equal to its book-value. Having regard to this, it is the opinion of the directors that depreciation of the property as required by the Companies Act 1985 and Statement of Accounting Practice 12 is not necessary.

Depreciation is calculated to write down the cost of the other tangible fixed assets to their estimated residual values over their expected useful lives.

The following rates and basis apply:-

Freehold Land and Building	Nil
Fixtures and Fittings	15% Reducing Balance
Motor Vehicles	25% Reducing Balance

(d) Stocks

Stocks are valued at the lower of cost and net realisable value.

(e) Deferred Taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences except those which are expected with reasonable probability to continue for the foreseeable future.

(f) Investments

Investments are shown at the lower of cost and market value.

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

4. <u>OPERATING COSTS</u>	<u>1991</u> £	<u>1990</u> £
These comprise:-		
Administration Costs	1,330,512	1,083,766
Other Operating Charges	472,615	489,610
	<u>1,803,127</u>	<u>1,573,376</u>

5. <u>GROUP OPERATING PROFIT</u>	<u>1991</u> £	<u>1990</u> £
This is stated after charging:-		
Staff Costs (Note 6)	712,808	584,519
Directors' Emoluments (Note 7)	117,133	87,693
Auditors' Remuneration	50,891	40,070
Depreciation of Tangible Fixed Assets	136,560	93,815
And after crediting		
Profit on Sale of Tangible Fixed Assets	5,135	-

6. <u>STAFF COSTS</u>	<u>1991</u> £	<u>1990</u> £
Staff Costs consist of the following:-		
Wages and Salaries	655,849	536,366
Social Security Costs	55,551	47,496
Other Pension Costs	1,408	657
	<u>712,808</u>	<u>584,519</u>

The average weekly number of employees, including directors, during the year was as follows:-

Office and Management	34	25
Production and Sales	140	111
	<u>174</u>	<u>136</u>

# NORTHERN TRUST COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

11. TAXATION	1991 £	1990 £
The charge based on the profit for the year comprises:-		
U K Corporation Tax at 35 % (1990: 35 %)	-	-
Interest on Corporation Tax	5,325	-
U K Corporation Tax Repayable	(288,776)	(181,063)
	(283,451)	(181,063)
Tax Credit on U K Dividends Received	365,466	345,506
	82,015	164,443

## 12. INTANGIBLE ASSETS

	Goodwill Arising on Consolidation	Goodwill	Total
	£	£	£
<u>GROUP</u>			
<u>Cost</u>			
At 1st April 1990	159,762	100,000	259,762
Expenditure	-	(55,000)	(55,000)
At 31st March 1991	159,762	45,000	204,762
At 31st March 1990	159,762	100,000	259,762
<u>COMPANY</u>		<u>Goodwill</u>	<u>Total</u>
<u>Cost</u>		£	£
At 1st April 1990		10,000	10,000
At 31st March 1991		10,000	10,000

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

13. TANGIBLE FIXED ASSETS (continued)

	<u>Land &amp; Buildings</u>	<u>Plant, Fixtures &amp; Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>COMPANY</u>	£	£	£	£
<u>Cost</u>				
At 1st April 1990	13,327,268	19,833	117,564	13,464,665
Additions	2,330,460	7,960	62,779	2,401,199
Revenue Costs Capitalised	60,000	-	-	60,000
Disposals	-	-	(30,356)	(30,356)
At 31st March 1991	15,717,728	27,793	149,987	15,895,508
<u>Depreciation</u>				
At 1st April 1990	-	8,616	44,258	52,874
Charge for the Year	-	2,033	21,843	23,876
Disposals	-	-	(16,205)	(16,205)
At 31st March 1990	-	10,649	49,896	60,545
<u>Net Book Value</u>				
At 31st March 1991	15,717,728	17,144	100,091	15,834,963
At 31st March 1990	13,327,268	11,217	73,306	13,411,791

The freehold rental properties were revalued on an open-market value for existing use basis at 31st March 1990 by Whittle Jones Partnership, Chartered Surveyors, at £10,685,000.

The original cost of the rental properties included at valuation was £5,013,656 (1990 £5,013,656).

The net book value of freehold land and buildings of £15,717,728 (1990 £13,327,268) includes an amount of £338,650 (1990 £338,650) in respect of land.

The amount included in additions to tangible fixed assets in respect of interest capitalised during the year was £Nil (1990 £97,000).

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

14. FIXED ASSETS INVESTMENTS (continued)

COMPANY

	<u>Investment in Subsidiaries</u>	<u>Listed Investments</u>	<u>Other Unlisted Investments</u>	<u>Total</u>
<u>Cost</u>				
At 1st April 1990	490,640	1,106,288	1,220,163	2,817,091
Additions	-	-	154,042	154,042
Interest Capitalised	-	-	204,000	204,000
Disposal	(50,000)	-	-	(50,000)
At 31st March 1991	440,640	1,106,288	1,578,205	3,125,133
	=====	=====	=====	=====

The subsidiary and associated companies at 31st March 1991 were:-

<u>Subsidiary Company</u>	<u>Country of Incorporation</u>	<u>Proportion of Shares Held</u>
Hemm-Inns Limited	United Kingdom	100%
Paragon Hotels plc	United Kingdom	100%
White Cross Parks Limited	United Kingdom	100%
Whittle Jones (Preston) Limited	United Kingdom	100%
Whittle Jones Group Limited	United Kingdom	100%
White Cross Bay Developments Limited	United Kingdom	100%

15. STOCKS

	<u>1991</u>	<u>1990</u>
	<u>£</u>	<u>£</u>
<u>GROUP</u>		
Consumables	59,083	29,980
Pine Lodges	591,478	572,340
Interest Capitalised	75,000	-
	<u>725,561</u>	<u>602,320</u>
	=====	=====

The Directors consider that there is no material difference between the balance sheet value of stock and replacement cost.

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

16.	<u>DEBTORS</u>	<u>1991</u>	<u>1990</u>
		<u>£</u>	<u>£</u>
	<u>GROUP</u>		
	Amounts falling due within one year:-		
	Trade Debtors	1,124,964	747,472
	Other Debtors	693,129	147,356
	Other Debtors: Related Companies	40,017	40,017
	Prepayments and Accrued Income	231,880	369,629
	Taxation	130,572	221,355
		<u>2,220,562</u>	<u>1,525,829</u>
		=====	=====
	<u>COMPANY</u>		
	Amounts falling due within one year:-		
	Trade Debtors	1,289,001	787,236
	Other Debtors	198,098	40,017
	Prepayments and Accrued Income	168,694	296,160
	Taxation	-	18,862
		<u>1,655,793</u>	<u>1,142,275</u>
	Amounts falling due after more than one year:-		
	Due from Subsidiary Companies	360,058	432,358
		<u>2,015,851</u>	<u>1,574,633</u>
		=====	=====
17.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>1991</u>	<u>1990</u>
		<u>£</u>	<u>£</u>
	<u>GROUP</u>		
	Bank Loans and Overdrafts (Note 19)	10,139,485	7,647,091
	Obligations under Hire Purchase Contracts and Finance Leases (Note 20)	16,365	6,725
	Trade Creditors	193,876	365,998
	Other Creditors:		
	U K Corporation Tax Payable	222,068	761,196
	Social Security and PAYE	28,407	20,631
	Other Creditors	213,497	411,242
	Accruals and Deferred Income	1,966,144	1,295,517
		<u>12,779,842</u>	<u>10,508,400</u>
		=====	=====
	Bank overdrafts and loans of £10,139,485 (1990: £7,647,091) are secured on a fixed charge on the Group's assets.		

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

7. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR

	<u>1991</u>	<u>1990</u>
	£	£
<u>COMPANY</u>		
Bank Loans and Overdrafts (Note 19)	5,449,038	4,460,010
Obligations under Hire Purchase Contracts		
and Finance Leases (Note 20)	12,133	2,223
Trade Creditors	41,656	140,402
Other Creditors:		
U K Corporation Tax Payable	198,791	383,106
Social Security and PAYE	8,370	2,534
Other Creditors	-	50,000
Accruals and Deferred Income	1,483,142	232,790
	<u>7,193,130</u>	<u>5,271,065</u>
	=====	=====

Bank overdraft and loans of £5,449,038 (1990: £4,460,010) are secured on a fixed charge on the Company assets.

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

	<u>1991</u>	<u>1990</u>
	£	£
<u>GROUP</u>		
Bank Loans and Overdrafts (Note 19)	13,523,073	11,042,565
Obligations under Hire Purchase Contracts		
and Finance Leases (Note 20)	14,432	498
Other Creditors	1,351,650	1,418,769
	<u>14,889,155</u>	<u>12,461,832</u>
	=====	=====
<u>COMPANY</u>		
Bank Loans and Overdrafts (Note 19)	6,285,180	4,718,190
Obligations under Hire Purchase Contracts		
and Finance Leases (Note 20)	8,210	-
Other Creditors	311,808	311,808
Due from Related Companies	52,351	-
	<u>6,657,549</u>	<u>5,029,998</u>
	=====	=====

NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

19. BANK LOANS AND OVERDRAFTS

	<u>1991</u>	<u>1990</u>
	£	£

GROUP

Borrowings are repayable as follows:-

Within One Year	10,139,485	7,647,091
Within Two to Five Years	5,790,600	7,436,836
Over Five Years	7,732,473	3,605,729
	<u>23,662,558</u>	<u>18,689,656</u>
	=====	=====

COMPANY

Borrowings are repayable as follows:-

Within One Year	5,449,038	4,460,010
Within Two to Five Years	1,806,600	3,412,461
Over Five Years	4,478,580	1,305,729
	<u>11,734,218</u>	<u>9,178,200</u>
	=====	=====

20. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND FINANCE LEASES

	<u>1991</u>	<u>1990</u>
	£	£

GROUP

The amounts due under hire purchase contracts and finance lease obligations are as follows:-

Within One Year	16,365	6,725
Within Two to Five Years	14,432	498
	<u>30,797</u>	<u>7,223</u>
	=====	=====

COMPANY

The amounts due under hire purchase contracts and finance lease obligations are as follows:-

Within One Year	12,133	2,223
Within Two to Five Years	8,210	-
	<u>20,343</u>	<u>2,223</u>
	=====	=====



NORTHERN TRUST COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1991

24. REVALUATION RESERVE

GROUP AND COMPANY

	<u>1991</u>	<u>1990</u>
	<u>£</u>	<u>£</u>
At 1st April 1990	5,671,345	-
Surplus arising on revaluation of freehold property in the year	-	5,671,345
At 31st March 1991	<u>5,671,345</u>	<u>5,671,345</u>

25. CAPITAL COMMITMENTS

GROUP

There were no Capital Commitments at 31st March 1991.

COMPANY

There were no Capital Commitments at 31st March 1991.

26. CONTINGENT LIABILITIES

GROUP

There were no contingent liabilities at 31st March 1991.

COMPANY

There were no contingent liabilities at 31st March 1991.

## **NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD**

**Companies House regrets that the microfiche record for this company contains some data which is illegible.**

**The poor quality has been noted but unfortunately the steps taken to improve the quality have been unsuccessful.**

**Companies House would like to apologise for any inconvenience this may cause.**