

Bovis Construction North Western Limited

Directors' report and financial statements

31 December 1994

Registered number 989307



Bovis Construction North Western Limited

Directors' report and financial statements

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Bovis Construction North Western Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1994.

Principal activities

The activity of the company is building contracting.

Business review

The results for the year are set out in the attached profit and loss account. The retained profit for the year is £4,601. The directors do not recommend the payment of a dividend.

Directors and directors' interests

Set out below are the directors who held office at the year end together with their beneficial interests in the deferred stock of The Peninsular and Oriental Steam Navigation Company at the beginning and end of the year, as recorded in the register of directors' share interests:

	Deferred stockholding at 31 December 1994	Deferred stockholding at 1 January 1994	Deferred stockholding under option at 31 December 1994	Deferred stockholding under option at 1 January 1994
	No.	No.	No.	No.
LJ Catchpole	14,188	11,990	8,505	19,687
RA Phillips	10,097	3,203	8,484	27,784

The movement in the deferred stockholding under option reflects the number granted/(lapsed) during the year.

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of any other group undertakings.

Liability insurance

During the year the company, through a Peninsular and Oriental Steam Navigation Group ("P&O Group") wide arrangement, maintained liability insurance for its officers.

Bovis Construction North Western Limited

Directors' report

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



LJ Catchpole
Company secretary

Bovis House
Northolt Road
Harrow
Middlesex
HA2 OEE

27th April 1995

Bovis Construction North Western Limited

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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London
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Report of the auditors to the members of Bovis Construction North Western Limited

We have audited the financial statements on pages 5 to 10.

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 as 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.

Chartered Accountants
Registered Auditors

27 April 1995

Bovis Construction North Western Limited

Profit and loss account for the year ended 31 December 1994

	Note	1994 £	1993 £
Administrative expenses		(32)	(136)
Other interest receivable and similar income	6	6,898	42,447
Profit on ordinary activities before taxation	2-3	6,866	42,311
Tax on profit on ordinary activities	7	(2,265)	(13,963)
Retained profit for the financial year		4,601	28,348
Retained profit brought forward		274,119	245,771
Retained profit carried forward		278,720	274,119

There were no gains or losses recognised in the year (1993: £nil) other than those reported in the profit and loss account set out above.

No operations were acquired or discontinued during the year.

The notes on pages 7 to 10 form part of the financial statements.

Bovis Construction North Western Limited

Balance sheet

at 31 December 1994

	Note	1994	1993
		£	£
Fixed assets			
Tangible assets	8	1	1
Investments	9	-	-
		<u>1</u>	<u>1</u>
Current assets			
Debtors	10	613,027	3,062
Cash at bank and in hand		-	617,363
		<u>613,027</u>	<u>620,425</u>
Creditors: amounts falling due within one year	11	<u>(327,517)</u>	<u>(338,588)</u>
Net current assets		<u>285,510</u>	<u>281,837</u>
Total assets less current liabilities		<u>285,511</u>	<u>281,838</u>
Creditors: amounts falling due after more than one year	12	(6,691)	(6,691)
Provisions for liabilities and charges	14	-	(928)
Net assets		<u>278,820</u>	<u>274,219</u>
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account		<u>278,720</u>	<u>274,119</u>
Shareholders' funds		<u>278,820</u>	<u>274,219</u>

These financial statements were approved by the board of directors on 27 April 95 and were signed on its behalf by:



RA Phillips
Director

The notes on pages 7 to 10 form part of the financial statements.

Bovis Construction North Western Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and the ultimate parent undertaking which is incorporated in Great Britain prepares a cash flow statement.

Deferred taxation

Deferred taxation is provided using the liability method to take account of the timing differences between the recognition of income and expenditure for taxation and accounting purposes. Provision for deferred taxation is made only to the extent that it is probable that an actual liability will crystallise.

2 Segmental information

The company's results arose solely from, and the company's net assets are deployed in, building contracting in the United Kingdom.

3 Profit on ordinary activities before taxation

The remuneration of the auditors has been borne by the immediate parent undertaking.

4 Remuneration of directors

The directors received no remuneration from the company during the year for their services (1993: £nil).

5 Staff numbers and costs

The company did not directly employ any staff during the year (1993:nil).

Bovis Construction North Western Limited

Notes (continued)

6 Other interest receivable and similar income

	1994 £	1993 £
Bank interest	6,398	41,947
Rental income	500	500
	<u>6,898</u>	<u>42,447</u>

7 Taxation

	1994 £	1993 £
UK corporation tax at 33 % on the profit for the year on ordinary activities	3,194	14,101
Deferred taxation	(928)	(138)
Adjustment relating to an earlier year	(1)	-
	<u>2,265</u>	<u>13,963</u>

8 Tangible fixed assets

	1994 £	1993 £
Freehold land and buildings	<u>1</u>	<u>1</u>

9 Fixed asset investments

	1994 £	1993 £
Unsecured loan stock in London Docklands Arena Limited	600,000	600,000
Less: Provision	(600,000)	(600,000)
	<u>-</u>	<u>-</u>

Bovis Construction North Western Limited

Notes (continued)

10	Debtors	1994 £	1993 £
	Amounts owed by parent and fellow subsidiary undertakings	613,027	250
	Prepayments and accrued income	-	2,812
		<u>613,027</u>	<u>3,062</u>
11	Creditors: amounts falling due within one year	1994 £	1993 £
	Amounts owed to parent and fellow subsidiary undertakings	324,320	324,584
	Other creditors including taxation and social security:		
	Corporation tax	3,165	13,972
	Other creditors	32	32
		<u>327,517</u>	<u>338,588</u>
12	Creditors: amounts falling due after more than one year	1994 £	1993 £
	Amounts owed to parent and fellow subsidiary undertakings	<u>6,691</u>	<u>6,691</u>
13	Reconciliation of movement in shareholders' funds	1994 £	1993 £
	Shareholders' funds at 1 January	274,219	245,871
	Retained profit for the financial year	<u>4,601</u>	<u>28,348</u>
	Shareholders' funds at 31 December	<u>278,820</u>	<u>274,219</u>

Bovis Construction North Western Limited

Notes (continued)

14 Provisions for liabilities and charges

	Deferred taxation £
At beginning of year	928
Credit for the year in the profit and loss account	(928)
At end of year	-

The amounts provided for deferred taxation and the amounts not provided are set out below:

	1994		1993	
	Provided £	Unprovided £	Provided £	Unprovided £
Short term timing differences	-	-	928	-

15 Called up share capital

	1994 £	1993 £
<i>Authorised, allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	100	100

16 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company's immediate parent undertaking is Bovis Construction Limited which is incorporated in Great Britain and registered in England and Wales.

The results of the company are included in the consolidated financial statements of the ultimate parent undertaking, The Peninsular and Oriental Steam Navigation Company which is incorporated in Great Britain and registered in England and Wales.

Copies of the financial statements of the immediate and ultimate parent undertakings may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF4 3HZ.