

Crown Way Cardiff CF14 3UZ
www.companieshouse.gov.uk

NOTICE OF ILLEGIBLE DOCUMENTS

Companies House regrets that documents in this company's microfiche record have pages which are illegible.

This has been noted but unfortunately steps taken to rectify this were unsuccessful.

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

COMPANY INFORMATION SUPPLIED BY COMPANIES HOUSE

Companies House is a registry of company information. We carry out basic checks to make sure that documents have been fully completed and signed, but we do not have the statutory power or capability to verify the accuracy of the information that companies send to us. We accept all information that companies deliver to us in good faith and place it on the public record. The fact that the information has been placed on the public record should not be taken to indicate that Companies House has verified or validated it in any way.

1589824

1992

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1992

Contents	Pages
Five year record	2
Chairman's statement	3 - 5
Directors' report	6 - 8
Report of the auditors	9
Group profit and loss account	10
Balance sheets	11
Consolidated cash flow statement	12
Notes to the financial statements	13 - 26
Notice of AGM	27 - 28



ONE

FIVE YEAR RECORD

Turnover	£'000
1988	15,120
1989	22,498
1990	21,838
1991	18,392
1992	16,336
Profit/(loss) before taxation	£'000
1988	2,730
1989	2,753
1990	(4,044)
1991	(365)
1992	740
Shareholders' funds	£'000
1988	20,768
1989	21,809
1990	11,384
1991	9,123
1992	7,022
Earnings/(loss) per share	
1988	24.5p
1989	25.5p
1990	(56.3)p
1991	(1.9)p
1992	10.3p
Dividend per share	
1988	8.25p
1989	9.25p
1990	3.75p
1991	Nil
1992	Nil

1992

CHAIRMAN'S STATEMENT

The board is encouraged to report the Group's return to profitability on ordinary activities for the year to 31 December 1992.

A profit on ordinary activities before taxation of £710,000 (1991: £305,000 loss) was achieved.

Tax credits of £734,000 contributed to a profit on ordinary activities after taxation of £1,473,000 (1991: £215,000 loss). Extraordinary charges of £2,710,000 (1991: £2,301,000) produced an overall loss for the period of £1,237,000.

The directors do not recommend the payment of a dividend.

Residential development

Turnover of £10,430,000 (1991: £18,492,000) included 218 house completions (1991: 222 units) at a gross profit margin of 21% (1991: 21%).

The housebuilding business performed well during the year maintaining a satisfactory gross margin despite the need to offer discounts to promote sales.

House completions would have been higher had it not been for the effects of political turmoil in September 1992 which adversely affected purchasers' confidence causing lower volume fourth quarter reservations.

These effects proved short lived and now there is strong demand for all our properties.

Net reservations taken to the beginning of March 1993 were 63 to 110 units (1991: 60). Reservations to date include a bulk sale of 41 units to a housing association. The majority of our sales in the recession were to first time purchasers but we are now seeing an increase in demand for our middle range properties where profit margins are higher. This shift in demand usually heralds

a more stable long term recovery.

The Group is in a good position to capitalise on strengthening demand, with the most extensive land bank in the Group's history - 640 units owned with planning permission. Advantage has been taken of opportunities to buy good quality sites cheaply and in consequence our average land cost per plot remains low at only £12,000.

Although there is not yet sufficient scope to increase selling prices, the Group expects through cost control and competitive purchasing of land, to maintain good gross margins. If demand continues at current levels, the Group could experience substantially increased turnover at maintained margins.

An entire new range of properties is being introduced this month which the Group believes will maintain our competitive advantage, whilst providing a product which we are confident will be perceived by the public as being both original and appealing.

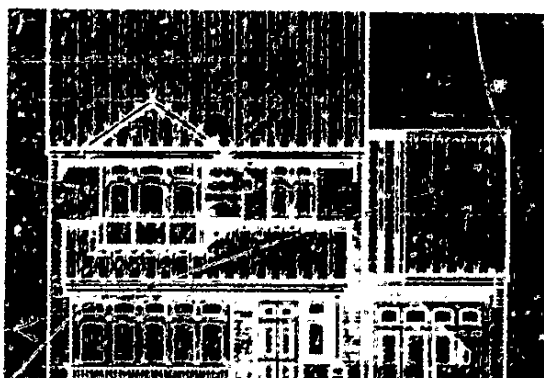
Reduction in borrowings and overheads

Cash generation from the core business and asset sales have accelerated the trend to lower borrowings.

At 31 December 1992, indebtedness had fallen by 20% to £6,177,000 (1991: £8,810,000).

The sale proceeds from the Denmark Centre were received after the year end and we expect borrowings at the end of the first quarter 1993 to be around £3.5 million representing 50% gearing.

Costs and staffing numbers are at an appropriate level to cope with sustained expansion without commensurate increases in overhead costs.



Profit on ordinary activities after taxation

Profit on ordinary activities after taxation amounted to £1,373,000 (1991: £215,000 loss). This is arrived at after accounting for the benefit of a tax credit of £735,000 which has arisen principally as a result of the Group's utilisation of tax losses the benefit of which was not previously recognised.

A further tax credit of £125,000 is attributable to extraordinary items.

Extraordinary items**Overage provision on commercial property**

The original agreement with the owners of Irskine House was renegotiated during 1992, extending the period for securing lettings to 21 June 1993. The maximum overage payment receivable by the Group under the amended agreement was reduced from £2.3 million to £1.85 million, and this reduction was reflected in the Group's interim results for 1992.

In view of the continuing difficulties encountered in securing lettings and the limited remaining timescale available, the board deemed it prudent to provide against the full amount of overage in its financial statements for the year ended 31 December 1992. This provision and the write off of accumulated expenses has led to a charge of £2.75 million against the 1992 results.

Similar efforts are continuing to let the remaining space within the timescale and discussions are continuing with specific parties.

Joint ventures

Despite difficult market conditions for the sale of residential development sites, the joint venture with R Green Properties has now disposed of all remaining residential projects.

The commercial property at Southmead Industrial Park, Didcot, Oxfordshire, is the only remaining joint venture asset.

This comprises 85,000 square feet of B1 industrial space of which 40% is let, with a further unit under offer. Those units let are to good quality tenants on institutional leases. Enquiries for the remaining space at Southmead Park are encouraging.

The surplus proceeds of sale from the housebuilding sites has enabled a reduction in the joint venture bank borrowing to a level where rental income covers all outgoings on the remaining joint venture asset.

Dividend

The extraordinary losses have further increased the deficit on the profit and loss account. The principal cause of these losses in 1992 was Irskine House where difficult market conditions have forced us to provide against all of the overage profits.

Despite the recession we have generated good operating profits on housebuilding activities. The outlook for the core business in the future is positive and the Group expects to take full advantage of these conditions. In these circumstances the directors feel that it would be appropriate to eliminate the adverse profit and loss account balance by a restructuring of the Company's reserves.



The Company intends to put proposals for a reduction of the Company's share premium account before shareholders shortly. The proposals will involve the elimination of the Group's adverse balance on profit and loss account (which at 31 December 1992 stood at £2,170,000) and, if the proposals become effective, this would enable the Company to resume a policy of paying dividends more quickly than would otherwise be the case.

Prospects

The Group is now principally focused on Northern housebuilding which has always produced sound returns for our shareholders.

The North East entered the recession late and is emerging first. It has good communications, strong inward investment and relatively low historical levels of home ownership. These sound fundamentals have encouraged us to concentrate all our immediate efforts on building market share locally.

The Group is conscious of the need to lay sound plans for future profitable expansion. In the longer term this may mean expansion into adjoining regions, but in the

short term we are grasping more immediate opportunities such as developing student accommodation for universities, inner city regeneration and building shared ownership properties for housing associations.

The Group is increasingly encouraged at the prospect of recovery for our business. The restoration of a progressive dividend policy remains a fundamental objective.

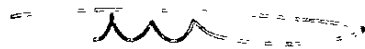
The Board is about to introduce a scheme of profit related pay for most of the staff which will continue to provide additional incentives and further stimulate commitment to the company which has always been one of its strengths.

The Board would like to thank all its staff for their loyalty and determined efforts to assist the recovery in the Group's fortunes.

Peter Cussis

Chairman

22nd April 1993



1992

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 1992

The directors present their report and the audited financial statements for the year ended 31 December 1992

Principal activities

The Group's principal activity is the development of residential property

Business review

Development of the Group's activities and its prospects are reviewed in the Chairman's statement on pages 3 to 5

Reserves

The loss for the year of £1,237,000 (1991: £2,579,000) has been deducted from reserves

Fixed assets

Movements in the fixed assets of the Group are shown in notes 11 to 14 to the financial statements

Directors

The names of the directors of the Company are set out on the back cover

Messrs H Gregory and B M Wylie are non executive directors

Mr H Gregory, a stockbroker, is 58 and joined the Board of the Company in June 1983. He is a corporate finance director of Beeson Gregory Limited Stockbrokers, and has been involved in corporate finance for over 30 years.

Mr B M Wylie, a banker, is 67 and joined the Board in April 1984. Prior to joining the board he was Northern Regional General Manager of Howells Bank Plc.

In accordance with the Articles of Association Mr B M Wylie retires by rotation and being eligible offers himself for re-election. Mr Wylie does not have a service contract.

Directors' interests in shares of the Company

The interests of the directors in the ordinary shares of the Company including particulars of options granted under the Cassins Property Group plc Executive Share Option Scheme are shown below. The interests are beneficial unless otherwise stated.

Number of ordinary shares of 20p each

	Number of ordinary shares of 20p each			
	31 December 1992		1 January 1992	
	Fully paid	Under option	Fully paid	Under option
PI Cassins				
Beneficial	2,648,182	-	2,498,122	-
Non beneficial	865,150	-	865,150	-
W I Wates	409,070	141,363	40,650	141,363
J F Gregory	10,000	-	10,000	-
BM Wylie	4,000	-	2,500	-

Since the balance sheet date PI Cassins has reduced his beneficial holding by 350,000 shares, and W I Wates has acquired 300,000 shares.

Except as noted above there have been no changes in the interests set out above between 31 December 1992 and 1 April 1993.



Substantial shareholders

Apart from the shareholdings referred to above the Group is aware of the following interests representing three per cent or more of its ordinary shares in issue

	Number of ordinary shares	Holding %
The Throgmorton Trust PLC	1 581 999	11.10
Temple Bar Small Companies Fund	1 114 057	7.82
Pictol Investment Management Limited	1 094 534	7.68
Equitable Life Assurance Society	775 250	5.44
RW Seabrook	660 000	4.63
T R Smaller Companies Investment Trust Plc	558 777	3.92
Tyne and Wear County Superannuation Fund	520 263	3.65
WM Attwood	470 400	3.30

Contracts of significance

No director had during the year any material beneficial interest in any contract of significance to the Group's business except for the following

Mr W I Waites is a partner in Keenlyside & Forster Solicitors which receives normal professional fees in connection with work carried out for the Group

Mr J E Gregory is a director of Bescon Company Limited, solicitors which receives normal fees in connection with work carried out for the Group

Other than the above there were no contracts of signifi-

cance subsisting during or at the end of the financial year in which a director of the Company was materially interested. During the course of the year ended

31 December 1992 Mr W I Waites purchased goods and services from the Group. In the opinion of the directors no loss to the Group arose from these transactions

Charitable and political contributions

Charitable contributions amounted to £2,095. There were no political contributions.

Employees

It is Group policy to give full consideration to the employment needs of disabled persons and to persons that may become disabled during the course of their employment and to comply with any current legislation with regard to disabled persons.

It is Group policy to ensure that employee involvement is properly introduced, maintained and developed at all levels.

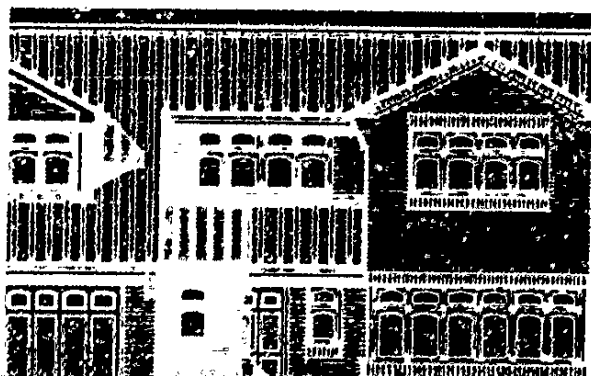
Taxation status

The Company is not a close company within the provisions of the Income and Corporation Taxes Act 1988.

Special business at the Annual General Meeting

In addition to the ordinary business to be transacted at the Annual General Meeting to be held on 25 May 1993 referred to in the notice at the end of the report and financial statements, your Board proposes special business as set out in resolutions 4 and 5.

Resolution 4 renews, until the Annual General Meeting in 1995, the Directors' authority previously granted at the Annual General Meeting in 1992 to allot shares in respect



of the authorised but unissued share capital of the Company.

Resolution 5, in two parts extends your Board's authority under section 89 of the Companies Act 1985 to allot shares for cash in certain circumstances otherwise than pro rata to all the shareholders. The first part of the resolution deals with the allotment of shares for cash under a rights issue with power to make adjustments to deal with overseas shareholders and fractions of shares. The second part of the resolution permits your Board to make additional issues of shares for cash of up to a 12.50% nominal of capital, representing 5 per cent of the issued share capital, as provided by the London Stock Exchange and Investment Protection Committee guidelines.

This resolution will come up for renewal at the next Annual General Meeting.

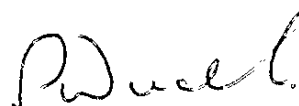
At an Extraordinary General Meeting of the Company to be held directly after the Annual General Meeting has

concluded or adjourned, a special Resolution to reduce the Company's share premium account will be proposed, as explained in the accompanying circular to shareholders and as set out in the Notice of Extraordinary General Meeting contained therein.

Auditors

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

By order of the Board



M P WINDLE

Secretary

22nd April 1993



1992

REPORT OF THE AUDITORS

TO THE MEMBERS OF CUSSINS PROPERTY GROUP PLC

We have audited the financial statements on pages 10 to 26 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 the Group at 31 December 1992 and of the loss and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

COOPERS & LYBRAND

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

22nd April 1993



1992

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1992

	Notes	1992 £'000	1991 £'000
Turnover	2	16,336	18,392
Cost of sales	3	(13,424)	(15,039)
Gross profit		2,912	3,353
Administrative expenses		(1,529)	(1,512)
Operating profit	2	1,383	1,841
Interest receivable		14	-
Profit before interest payable and taxation		1,397	1,841
Interest payable	5	(657)	(2,206)
Profit/(loss) on ordinary activities before taxation	6	740	(365)
Taxation	7	733	150
Profit/(loss) on ordinary activities after taxation		1,473	(215)
Extraordinary items	8	(2,710)	(2,364)
Loss for the financial year	9, 22	(1,237)	(2,579)
Earnings/(loss) per ordinary share			
Net basis	10	10.3p	(1.9)p

1992

BALANCE SHEETS

AT 31 DECEMBER 1992

		Group		Company	
	Notes	1992	1991	1992	1991
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets					
Investment properties	11	-	3,290	-	-
Other	12	272	1,085	26	810
Ground rents	13	106	347	-	-
Investments	14	-	-	1,025	1,081
		<u>378</u>	<u>4,722</u>	<u>1,051</u>	<u>1,891</u>
Current assets					
Stocks	15	12,431	11,529	-	30
Debtors	16	5,826	3,893	12,706	17,491
Cash at bank and in hand		5	7	-	-
		<u>18,262</u>	<u>15,429</u>	<u>12,706</u>	<u>17,521</u>
Creditors amounts falling due within one year	17	(11,582)	(11,028)	(6,735)	(10,543)
Net current assets		<u>6,680</u>	<u>4,401</u>	<u>5,971</u>	<u>6,978</u>
Total assets less current liabilities		<u>7,058</u>	<u>9,123</u>	<u>7,022</u>	<u>8,869</u>
Creditors amounts falling due after more than one year	18	(36)	-	-	-
Net assets		<u><u>7,022</u></u>	<u><u>9,123</u></u>	<u><u>7,022</u></u>	<u><u>8,869</u></u>
Capital and reserves					
Called-up share capital	20	2,850	2,850	2,850	2,850
Share premium account	22	6,348	6,348	6,348	6,348
Revaluation reserve	22	-	864	-	45
Profit and loss account	22	(2,176)	(939)	(2,176)	(374)
Shareholders' funds		<u><u>7,022</u></u>	<u><u>9,123</u></u>	<u><u>7,022</u></u>	<u><u>8,869</u></u>

The financial statements on pages 19 to 26 were approved by the board of directors on 21st April 1993 and were signed on its behalf by

P I CUSSINS

W I WAITES




1992

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 1992

	Notes	1992 £'000	1991 £'000
Net cash inflow from operating activities	23	<u>2,427</u>	<u>4,130</u>
Returns on investments and servicing of finance			
Interest received		14	-
Interest paid - ordinary activities		(701)	(2,351)
Interest paid - extraordinary activities		(411)	-
Dividend received from associated companies		<u>101</u>	<u>122</u>
Net cash outflow from returns on investments and servicing of finance		<u>(997)</u>	<u>(2,229)</u>
Taxation			
Consortium relief paid		(25)	(300)
UK corporation tax repaid		<u>140</u>	<u>241</u>
Tax repaid/(paid)		<u>115</u>	<u>(59)</u>
Investment activities			
Sale of investment property		85	10,684
Purchase of tangible fixed assets		(4)	(27)
Sale of tangible fixed assets		720	34
Sale of ground rents		317	-
Loans to associated companies		(350)	(2,559)
Loans repaid by associated companies		18	-
Joint venture separation payments		<u>-</u>	<u>(4,763)</u>
Net cash inflow from investing activities		<u>786</u>	<u>3,369</u>
Net cash inflow before financing		<u>2,331</u>	<u>5,211</u>
Financing			
Issue of ordinary shares		-	3,919
Expenses paid in connection with share issue		-	(288)
New secured loan		500	-
Repayment of loan		<u>(240)</u>	<u>(12,050)</u>
Net cash inflow/(outflow) from financing	25	<u>260</u>	<u>(8,419)</u>
Increase/(decrease) in cash and cash equivalents	24	<u>2,591</u>	<u>(3,208)</u>

1992

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1992

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.

(a) Basis of accounting

The Group prepares its financial statements on the historical cost basis of accounting, modified to include the revaluation of investment properties and land and buildings.

(b) Basis of consolidation

The consolidated profit and loss account and balance sheet include the accounts of the subsidiaries for the year together with the holding company, Cussins Property Group plc. The Group's share of the results of its associated companies is included in the Group profit and loss account. To the extent that amounts due from associated companies are not considered recoverable provision is made. The losses and net liabilities of the associated companies are as reported in those companies' financial statements for the year ended 30 November 1992.

(c) Cash flow

The company has adopted the provisions of FRS 1 in these financial statements. Accordingly, a cash flow statement has replaced the statement of source and application of funds presented last year.

(d) Turnover

Turnover represents legal completions of houses during the year.

(e) Stock

Land and site development is valued at the lower of cost and net realisable value. Amounts held in stock represent costs incurred on developments net of amounts transferred to cost of sales, and less any provisions for foreseeable losses.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged over their estimated useful economic lives on a straight line basis using the following rates:

Plant and equipment	10% - 25%
Motor vehicles	25%
Freehold land and buildings	5%

No depreciation is charged on freehold land and buildings in the year in which the buildings are brought into use.

(g) Investment properties

In accordance with SSAP 19: (i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and (ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The

requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that to depreciate such properties would not give a true and fair view, but that a true and fair view is given by following SSAP 19 as described above.

If depreciation had been provided on the properties in accordance with the requirement of the Companies Act 1985 this would have had no impact on the profit for the financial year as all remaining investment properties were sold during 1992. The directors do not consider it practical or informative to attempt to quantify the effects of the departure on the results of 1991.

(h) Ground rents

Ground rents are capitalised at the time of sale of the property, on the basis of up to 5 years purchase.

(i) Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

(j) Finance leases

Leasing agreements which transfer to the group substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the lease term and the useful lives of equivalent owned assets.

(k) Deferred taxation

Deferred taxation is provided in full using the liability method on all material timing differences to the extent that a liability is likely to crystallise in the foreseeable future.

(l) Pension obligations

The group operates a defined contribution pension scheme for various directors and employees. The charge to the profit and loss account is the amount of contributions payable to the scheme in the year. The assets of the scheme are held separately from those of the group in an independently administered fund.

2. Turnover and Operating Profit

During 1992 and 1991 turnover and operating profit were derived wholly from residential development.

3. Cost of Sales

Cost of sales for 1992 includes marketing costs of £515,000 (1991 £ 463,000). In previous years these had been included within administrative expenses, but the directors consider that it is more appropriate to treat them as part of the cost of sales. The corresponding figures for 1991 have been restated.

4. Employees and Directors

(a) The average weekly number of persons (including executive directors) employed by the Group during the year was:

	1992 Number	1991 Number
Administration	40	40
Building and development	219	226
	<u>259</u>	<u>266</u>
	1992 £'000	1991 £'000
Staff costs (for the above persons)		
Wages and salaries	3,570	3,490
Social security costs	341	356
Other pension costs (see note 19)	87	157
	<u>3,998</u>	<u>4,003</u>

(b) The remuneration paid to the directors of Cusmins Property Group plc was:

	1992 £	1991 £
Fees	19,050	16,554
Other emoluments	253,037	301,647
Aggregate pension costs	.	8,000
	<u>273,687</u>	<u>326,201</u>
Compensation paid for loss of office	.	175,000
	<u>273,687</u>	<u>501,201</u>

Fees and other emoluments to including pension contributions include amounts paid to:

	1992 £	1991 £
The chairman	103,462	107,929
The highest paid director	145,330	144,425

Other directors received amounts (excluding pension contributions) in the following ranges

	1992 Number	1991 Number
£5,001 to £10,000	-	2
£10,001 to £15,000	2	-
£45,001 to £50,000	-	1

5. Interest Payable and Similar Charges

	1992 £'000	1991 £'000
On bank loans and overdrafts		
Repayable within 5 years, not by instalments	628	2,206
Repayable within 5 years by instalments	26	-
	<u>654</u>	<u>2,206</u>
On finance leases	3	-
	<u>657</u>	<u>2,206</u>

Interest of £111,000 on overdrafts repayable within 5 years, not by instalments, is attributable to the financing of investment properties. This has been included in extraordinary items (see note 8).

6. Profit/(Loss) on Ordinary Activities before Taxation

	1992 £'000	1991 £'000
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation of tangible fixed assets		
Owned	136	184
Leased	24	-
Auditors' remuneration	34	35
Hire of plant and machinery	247	243
Profit on disposal of fixed assets	(11)	(13)
Profit on disposal of ground rents	(42)	-
	<u></u>	<u></u>

Remuneration of the company's auditors for provision of non-audit services to the Group was £148,000.

7. Taxation Credit

	1992 £'000	1991 £'000
United Kingdom corporation tax at 33% (1991:33.25%):		
Current	648	130
Consortium relief	85	(36)
Over-provision in respect of prior years:		
Current	-	50
Consortium relief	-	6
	<u>733</u>	<u>150</u>

The tax credit for the year has arisen through the utilisation of tax losses the benefit of which had not been recognised in the financial statements of previous years

8. Extraordinary Items

	1992 £'000	1991 £'000
Extraordinary (charges)/credits arising from:		
Discontinuance of investment property business:		
Overdraft interest attributable to financing of investment properties	(411)	-
Profit on disposal of investment properties net of disposal expenses	298	452
Net rental income arising from investment properties	<u>322</u>	<u>868</u>
	<u>209</u>	<u>1,320</u>
Discontinuance of commercial development division:		
Provision against overage payment on commercial property	(2,783)	(700)
Compensation payments to directors of commercial developments subsidiary	-	(271)
Administrative expenses	<u>(140)</u>	<u>(310)</u>
	<u>(2,923)</u>	<u>(1,281)</u>
Discontinuance of joint ventures:		
Share of loss of associated undertakings	(421)	(1,670)
Interest receivable from associated undertakings	-	100
	<u>(421)</u>	<u>(1,570)</u>
Professional costs relating to the separation of joint ventures	-	(960)
	<u>(3,135)</u>	<u>(2,491)</u>
Taxation	<u>425</u>	<u>127</u>
	<u>(2,710)</u>	<u>(2,364)</u>

9. Profit/(Loss) for the Financial Year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year dealt with in the financial statements of the holding company is £1,876,000 (1991: loss £3,779,000). The loss retained by associated undertakings is £316,000 (1991: loss £1,661,000).

10. Earnings per Ordinary Share

The calculation of the earnings (loss) per share on the net basis is based on the profit on ordinary activities after taxation but before extraordinary items, of £1,173,000 (1991: loss of £215,000) and on 11,250,886 ordinary shares, being the number of ordinary shares in issue and ranking for dividend during the year (1991: weighted average number of shares in issue 11,056,630).

11. Tangible Fixed Assets - Investment Properties

Group	£'000
At 1 January 1992	3,290
Depreciate	(3,290)
At 31 December 1992	—

Cash consideration of £2.9m was received in January 1993.

If investment properties had not been revalued they would have been included at the following amounts:

	1992 £'000	1991 £'000
Cost	—	2,474

12. Tangible Assets - Other

Group	Freehold land and buildings £'000	Vehicles plant and equipment £'000	Total £'000
Cost or valuation			
At 1 January 1992	750	1,114	1,864
Additions	-	124	124
Disposals	(750)	(209)	(959)
At 31 December 1992	-	1,029	1,029
Depreciation			
At 1 January 1992	-	779	779
Charge for year	-	180	180
Eliminated in respect of disposals	-	(202)	(202)
At 31 December 1992	-	757	757
Net book value			
At 31 December 1992	-	272	272
Net book value At 31 December 1991	750	335	1,085

The net book value of assets held under finance leases was £96,000 (1991: £Nil)

Company

	Freehold land and buildings £'000	Vehicles plant and equipment £'000	Total £'000
Cost or valuation			
At 1 January 1992	750	140	890
Additions	-	1	1
Disposals	(750)	(2)	(752)
At 31 December 1992	-	139	139
Depreciation			
At 1 January 1992	-	80	80
Charge for year	-	35	35
Eliminated in respect of disposals	-	(2)	(2)
At 31 December 1992	-	113	113
Net book value			
At 31 December 1992	-	26	26
Net book value At 31 December 1991	750	60	810

13. Ground Rents

	1992 £'000	1991 £'000
Valuation		
At 1 January	347	312
Capitalised in the year (see note 1(h))	34	35
Disposals	(275)	-
At 31 December	<u>106</u>	<u>347</u>

14. Fixed Asset Investments

Interests in Group undertakings

	Company	
	1992 £'000	1991 £'000
Subsidiary undertakings		
Shares at cost	4,534	4,534
Amounts written off	(3,503)	(3,453)
Disposal to subsidiary undertaking	(6)	-
	<u>1,025</u>	<u>1,081</u>

Principal group undertakings at 31 December 1992:

	% holding of equity capital
Held by Cussins Property Group plc	
Cussins Homes Limited	100
Cussins Commercial Development Limited	100
Cussins Investment Properties Limited	100
Held by Cussins Homes Limited	
Cussins Homes (North) Limited	100
Cussins Homes (South) Limited	100
Lennington Estates Limited	100

All of the group undertakings are registered in England and Wales and their principal activities are the development of commercial, industrial and residential property.

During the year the company sold its interests in Cussins Homes (South) Limited (formerly Cussins South Limited) and Cussins Homes (North) Limited (formerly Lennington Estates Limited) to its subsidiary undertaking Cussins Homes Limited. These shares passed at their original cost.

Interests in associated undertakings

	Group and Company	
	1992	1991
	£'000	£'000
Interests in associated undertakings		
At cost less amounts written off		
At 1 January 1992	-	15
Disposal of shares	-	(14)
Provision for permanent diminution in value	-	(1)
At 31 December 1992	-	-
Loans to associated companies	4,995	4,737
Share of reserves	(4,420)	(3,972)
Amounts owed by associated undertakings (see note 16)	575	765

The associated undertakings at 31 December 1992 were

Name of undertaking	Proportion of nominal value of ordinary shares held
Praisegood Limited	50.0%
Cussins Green Developments (No 14) Limited	47.5%

The country of registration and principal country of operation of the associated undertakings is England and Wales. The accounting year end of the associated undertakings is 30 November.

The associated undertakings were owned jointly by the Group and its joint venture partner, The Throgmorton Trust PLC, at the balance sheet date.

The principal activities of Praisegood Limited and its subsidiary undertakings were the development of residential and commercial property. The companies ceased residential development activity during 1991 and their land banks were offered for sale. All of the remaining land banks have now been sold and the companies are scheduled to be liquidated in 1993.

Cussins Green Developments (No 14) Limited, which is a subsidiary of Praisegood Limited, owns a commercial development in Dulton and will continue to trade. It is expected to be liquidated in the year to 30 November 1991 when the development will be sold.

Cussins Green Developments (Nos 1, 2, 10, 23 and 24) Limited, in which the Group had a 47.5% interest at 31 December 1991 were put into liquidation during 1992.

The company and its joint venture partner have given letters of comfort in respect of the borrowings of Praisegood Limited's subsidiary undertakings.

**Aggregate Joint Venture indebtedness
at 30 November 1992
£'000**

Lender

Lloyds Bank plc	2,734
Throgmorton Capital Resources Limited	1,426
	<u>4,160</u>

The company has been advised that the letter to Lloyds Bank plc amounts to a guarantee.

The letter to Throgmorton Capital Resources Limited may or may not constitute a guarantee.

At 31 March 1993 the aggregate joint venture indebtedness had been reduced to £2.5 million, all of which was owed to Lloyds Bank plc

15. Stocks

	Group		Company	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Land and site development	12,468	11,411	-	30
Less: cash received and receivable	(37)	(65)	-	-
	<u>12,431</u>	<u>11,346</u>	<u>-</u>	<u>30</u>
Long-term contract balances	-	183	-	-
	<u>12,431</u>	<u>11,529</u>	<u>-</u>	<u>30</u>

16. Debtors

	Group		Company	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade debtors	162	91	-	-
Amounts recoverable on contracts	-	2,300	-	-
Amounts owed by subsidiary undertakings	-	-	2,217	15,878
Amounts owed by associated undertakings	575	765	575	765
Group relief receivable	-	-	-	827
Other debtors	3,189	178	-	-
Prepayments and accrued income	299	318	29	21
Dividends	-	-	9,459	-
Corporation tax recoverable	1,211	141	341	-
Consortium relief	85	-	85	-
	<u>5,521</u>	<u>3,793</u>	<u>12,706</u>	<u>17,491</u>
Amounts falling due after more than one year				
ACT recoverable	305	100	-	-
	<u>5,826</u>	<u>3,893</u>	<u>12,706</u>	<u>17,491</u>

17. Creditors: Amounts Falling Due Within One Year

	Group		Company	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Overdrafts	6,217	8,810	4,894	8,569
Bank loan	260	-	-	-
Trade creditors	1,683	1,508	66	58
Obligations under finance leases	43	-	-	-
Amounts owed to subsidiary undertakings	-	-	1,634	1,768
Corporation tax	343	-	-	-
Other taxation and social security payable	151	196	9	9
Other creditors	2,134	182	-	-
Accruals and deferred income	751	307	132	139
Consortium relief	-	25	-	-
	<u>11,582</u>	<u>11,028</u>	<u>6,735</u>	<u>10,543</u>

The bank loan and overdrafts are secured by debentures giving a fixed charge over certain work in progress of Cussins Homes (South) Limited and floating charges over the assets of the following group undertakings

Cussins Property Group plc
 Cussins Homes Limited
 Cussins Homes (North) Limited
 Cussins Commercial Developments Limited
 Cussins Investment Properties Limited

Bank loans

	1992	1991
	£'000	£'000
Repayable within one year	<u>260</u>	<u>-</u>

18. Creditors: Amounts Falling Due After More Than One Year

	Group	
	1992	1991
	£'000	£'000
Obligations under finance leases	<u>36</u>	<u>-</u>

The finance lease obligations are wholly repayable between one and five years after the balance sheet date.

19. Pension and Similar Obligations

The Group operates a defined contribution pension scheme for various directors and employees.

The pension cost for the year was £87,000 (1991: £157,000).

Outstanding contributions at the balance sheet date amounted to £78,000 (1991: £Nil).

20. Called-up Share Capital

	1992	1991
	£'000	£'000
Authorised		
19,000,000 (1991: 19,000,000) ordinary shares of 20p each	<u>3,800</u>	<u>3,800</u>
Allotted, called-up and fully paid		
14,250,886 (1991: 14,250,886) ordinary shares of 20p each	<u>2,850</u>	<u>2,850</u>

21. Options in shares of Cussins Property Group plc

The Company has granted options in respect of the following shares under its share option scheme

Options Granted	Number of Ordinary Shares	Period of Option	Price per Share
1986	50,000	August 1989 - July 1996	254p
1990	127,363	April 1993 - April 2000	157p
1991	55,000	May 1994 - May 2001	58p

22. Share Premium Account and Reserves

	Share premium account	Revaluation reserve	Profit and loss account
	£'000	£'000	£'000
Group			
At 1 January 1992	6,348	864	(939)
Realisation of revaluation reserve upon disposal	-	(864)	-
Loss for the year	-	-	(1,237)
At 31 December 1992	<u>6,348</u>	<u>-</u>	<u>(2,176)</u>

	Share premium account	Revaluation reserve	Profit and loss account
Company	£'000	£'000	£'000
At 1 January 1992	6,348	45	(374)
Realisation of revaluation reserve upon disposal	-	(45)	-
Loss for the year	-	-	(1,802)
At 31 December 1992	6,348	-	(2,176)

23. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	1992 £'000	1991 £'000
Operating profit	1,383	1,841
Depreciation on tangible fixed assets	160	184
Capitalisation of ground rents	(34)	(35)
Profit on disposal of tangible fixed assets	(11)	(13)
Profit on sale of ground rents	(42)	-
(Increase)/decrease in stocks	(1,085)	3,158
(Increase)/decrease in debtors	(131)	157
Increase/(decrease) in creditors	2,174	(658)
Net cash inflow from continuing operating activities	2,414	4,634
Net cash inflow/(outflow) from discontinued operating activities	13	(504)
Net cash inflow from operating activities	2,427	4,130

24. Cash and Cash Equivalents

	1992 £'000	1991 £'000
Changes during the year		
At 1 January	(8,803)	(5,595)
Net cash inflow/(outflow)	2,591	(3,208)
At 31 December	(6,212)	(8,803)
		Change in year £'000
1992 £'000	1991 £'000	

Analysis of balances

Cash at bank and in hand	5	7	(2)
Bank overdrafts	(6,217)	(8,810)	2,593
At 31 December 1992	(6,212)	(8,803)	2,591

25. Analysis of Changes in Financing during the Year

	Share capital (including premium) £'000	Loans and finance lease obligations £'000
At 1 January 1992	9,198	-
Cash inflows from financing	-	260
New capital lease	-	76
At 31 December 1992	<u>9,198</u>	<u>336</u>

26. Financial Commitments

	1992		1991	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Annual commitments under operating leases which expire				
Between 1 and 5 years	-	6	-	6
In more than 5 years	<u>170</u>	<u>-</u>	<u>95</u>	<u>-</u>
	<u>170</u>	<u>6</u>	<u>95</u>	<u>6</u>

27. Contingent Liabilities

The company has guaranteed the borrowings of its subsidiaries. At 31 December 1992 these stood at £1,583,000 (1991 £211,000).

The Company has also issued letters of comfort in respect of the borrowing of its associated undertakings (see note 14).

1992

NOTICE OF MEETING

Notice is hereby given that the twelfth Annual General Meeting of Cussins Property Group plc ("the Company") will be held at the offices of Besson Gregory Limited, The Registry, Royal Mint Court, London EC3N 3EY on 25 May 1994 at 10.30am for the following purposes:

Ordinary Business Resolutions

To consider and, if thought fit, to pass the following resolutions, which will be proposed as ordinary resolutions:

1. To receive and to adopt the report of the directors and the Company's audited accounts for the year ended 31 December 1992
2. To re-elect as a director of the Company, Mr B M Willie, who retires by rotation
3. To reappoint Coopers & Lybrand, as auditors of the Company and to authorise the directors of the Company to fix their remuneration

Special Business Resolutions

To consider and, if thought fit, to pass the following resolutions of which Resolution 4 will be proposed as an ordinary resolution and Resolution 5 will be proposed as a special resolution:

1. That the directors of the Company ("the Directors") be and they are hereby generally and unconditionally authorised in accordance with section 80 of the Companies Act 1985 and in substitution for any existing power to allot relevant securities to exercise all the powers of the Company to allot relevant securities (within the meaning of the said section 80) up to an aggregate nominal amount of £664,451 during the period expiring on 21 May 1995, but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require relevant securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot relevant securities in pursuance of such offers or agreements
2. That subject to the passing of Resolution 3 set out in the Notice of this Meeting:
 - (a) the directors of the Company ("the Directors") be and they are hereby empowered, pursuant to section 95 of the Companies Act 1985 ("the Act"), to allot equity securities pursuant to the authority given in accordance with section 80 of the Act by the said Resolution No 1 as if section 80(1) of the Act did not apply to any such allotment, provided that this power shall be limited to
 - (i) the allotment of equity securities in connection with an offer of securities, open for acceptance for a period fixed by the Directors, by way of rights to holders of Ordinary Shares and such other equity securities of the Company as the Directors may determine on the register on a fixed record date in proportion to their respective holdings of such securities or in accordance with the rights attached thereto (but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements that would otherwise arise or with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory or otherwise) howsoever, and
 - (ii) the allotment (otherwise than pursuant to subparagraph (i) above) of equity securities up to an aggregate nominal amount of £112,508, and shall expire at the conclusion of the Annual General Meeting of the Company in 1994, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot equity securities in pursuance of such offers or agreements;
 - (b) all authorities previously conferred under section 95 of the Act be and they are hereby revoked, provided that such revocation shall not have retrospective effect; and
 - (c) words and expressions defined in or for the purposes of part IV of the Act shall bear the same meaning herein
3. That subject to the passing of Resolution 2 set out in the Notice of this Meeting:

Notes:

1. A form of proxy is enclosed for use by members
2. A member entitled to attend and to vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote in his/her place. A proxy need not be a member of the Company
3. Whether or not they intend to be present at the Annual General Meeting, shareholders should complete and return the form of proxy enclosed with this Notice. Completion of the form of proxy will not preclude a shareholder from attending and voting in person. To be valid, forms of proxy should be returned so as to reach Lloyds Bank Registrars, The Causeway, Worthing, West Sussex, BN99 6DB, not later than 48 hours before the

time appointed for the holding of the Annual General Meeting

The following documents will be available for inspection at the registered office, during business hours from the date of this notice until the date of the Annual General Meeting, and on that date they will be available for inspection at the place of the meeting from 10.15am until the conclusion of the meeting

- (a) Copies of contracts of service of the Directors with the Company
- (b) The register of Directors' interests in the share capital of the Company

By order of the board



M P WINDLE

Company secretary

22nd April 1993

*Great North Road
Gosforth Newcastle upon Tyne
NE3 2DA*

