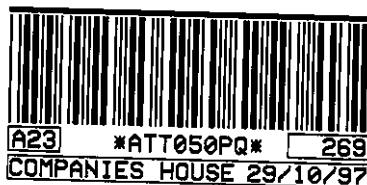


Company Registration No: 1910581

**PRICEBUSTERS LIMITED**

**Report and Financial Statements**

**31 December 1996**



**REPORT AND FINANCIAL STATEMENTS 1996**

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**REPORT AND FINANCIAL STATEMENTS 1996**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

S B Kay  
M H Marx

**SECRETARY**

S A Lanes FCA

**REGISTERED OFFICE**

Portland House  
Stag Place  
London SW1E 5DS

**BANKERS**

Barclays Bank PLC  
1 Pall Mall East  
London SW1Y 5AX

**SOLICITORS**

Linklaters & Paines  
56-67 Gresham Street  
London EC2V 7JA

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Hill House  
1 Little New Street  
London EC4A 3TR

## DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 December 1996.

### PRINCIPAL ACTIVITY AND REVIEW OF DEVELOPMENTS

The principal activity of the company at present and for the foreseeable future is the operation of a roller skating rink.

### RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 6. The directors do not recommend the payment of a dividend (1995: £nil) and the loss of £3,959 (1995: £4,326) has been transferred from reserves.

### DIRECTORS' INTERESTS

The directors who held office during the year were as follows:

S B Kay  
A E Bodie  
M H Marx

A E Bodie resigned as a director with effect from 21 May 1997.

None of the directors had any interests in the shares of the company nor any other Group company during the year except as noted below.

S B Kay is entitled to the following options granted by Development Securities PLC:

Date of Grant	Number		Exercise date	Price
7 April 1994	15,000	(1)	7 April 1997 to 6 April 2004	322.5p
23 June 1995	14,139	(2)	1 August 2000 to 31 January 2001	122.0p
6 June 1996	15,000	(3)	6 June 1999 to 5 June 2006	190.5p
19 May 1997	10,000	(3)	19 May 2000 to 18 May 2007	250.0p

- (1) Granted under the 1985 Share Option Scheme
- (2) Granted under the Savings Related Option Scheme 1995
- (3) Granted under the Executive Share Option Scheme 1995, with a performance condition that the net assets per ordinary share of the Group are equal to or in excess of the average growth in the All Properties Capital Growth Index during the same period over three consecutive financial years.

The interests of A E Bodie and M H Marx in the 50p ordinary shares of Development Securities PLC and the options granted to them under the company's share option scheme are disclosed in the 1996 Report and Financial Statements of that company.

### PAYMENT POLICY

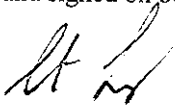
Amounts due to suppliers are settled promptly within their terms of payment, except in cases of dispute.

**DIRECTORS' REPORT (continued)**

**AUDITORS**

A resolution concerning the reappointment of Deloitte & Touche as auditors is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



S A Lanes  
Secretary

22<sup>nd</sup> October 1997

**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 at the end of the financial year and of its profit or loss for that year. 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS' REPORT TO THE MEMBERS OF PRICEBUSTERS LIMITED**

We have audited the financial statements on pages 6 to 10 which have been prepared under the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 4, 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.

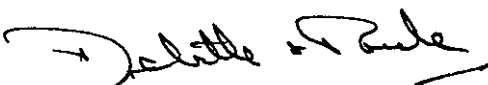
**Basis of opinion**

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 1996 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche**  
Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London EC4A 3TR

24 OCT 1997

**PRICEBUSTERS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**Year ended 31 December 1996**

	Note	1996 £	1995 £
OPERATING EXPENSES		<u>(3,959)</u>	<u>(4,326)</u>
OPERATING LOSS	2	<u>(3,959)</u>	<u>(4,326)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION	3	(3,959)	(4,326)
PROFIT & LOSS ACCOUNT BROUGHT FORWARD		<u>(19,798)</u>	<u>(15,472)</u>
PROFIT & LOSS ACCOUNT CARRIED FORWARD		<u><u>£(23,757)</u></u>	<u><u>£(19,798)</u></u>

All losses derive from continuing operations.

There are no recognised gains or losses or movements in shareholders' funds for the current and preceding financial year other than as stated in the profit and loss account.



# PRICEBUSTERS LIMITED

## BALANCE SHEET 31 December 1996

	Note	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	4	<u>6,677</u>	<u>10,623</u>
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		14	27
<b>CREDITORS: amounts falling due within one year</b>	5	<u>(30,348)</u>	<u>(30,348)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(30,334)</u>	<u>(30,321)</u>
<b>NET LIABILITIES</b>		<u>£(23,657)</u>	<u>£(19,698)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	100	100
Profit and loss account - deficit		<u>(23,757)</u>	<u>(19,798)</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>£(23,657)</u>	<u>£(19,698)</u>

These financial statements were approved by the Board of Directors on

22<sup>nd</sup> October 1997

Signed on behalf of the Board of Directors



M H Marx  
Director

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1996**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

These financial statements are prepared in accordance with applicable accounting standards, under the historical cost convention and on a going concern basis on the grounds that it is the intention of the Board of Development Securities PLC, the ultimate parent company, to continue to support the company such that it can meet its liabilities as they fall due in the foreseeable future.

**Turnover**

Turnover represents admission, skate hire and cafeteria income, arising in the United Kingdom from continuing operations and is stated net of Value Added Tax.

**Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment:	20% on a straight line basis
Fixtures and fittings:	20% on a straight line basis

**2 OPERATING LOSS**

None of the directors received any emoluments from the company during the financial year (1995: £nil).

The auditors' remuneration for the current and preceding financial year has been borne by Development Securities Estates PLC, a fellow subsidiary undertaking.

The company does not have any employees (1995: nil).

The depreciation charge for the financial year was £3,946 (1995: £3,946).

**3 TAXATION**

Losses have been surrendered to other group companies for nil consideration.

# PRICEBUSTERS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 December 1996

### 4 FIXED ASSETS

	Equipment £	Fixtures and fittings £	Total £
<b>Cost:</b>			
At 1 January and 31 December 1996	<u>£15,223</u>	<u>£4,504</u>	<u>£19,727</u>
<b>Accumulated depreciation:</b>			
At 1 January 1996	6,941	2,163	9,104
Charge for the period	<u>3,008</u>	<u>938</u>	<u>3,946</u>
At 31 December 1996	<u>£9,949</u>	<u>£3,101</u>	<u>£13,050</u>
<b>Net book value:</b>			
At 31 December 1996	<u>£5,274</u>	<u>£1,403</u>	<u>£6,677</u>
At 31 December 1995	<u>£8,282</u>	<u>£2,341</u>	<u>£10,623</u>

### 5 CREDITORS: amounts falling due within one year

	1996	1995
Amounts due to group companies	<u>£30,348</u>	<u>£30,348</u>

### 6 CALLED UP SHARE CAPITAL

	1996	1995
Authorised, allotted and fully paid: 100 ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

### 7 CASH FLOW STATEMENT

The ultimate parent company, Development Securities PLC, has adopted Financial Reporting Standard No. 1, thus exempting the parent company from the requirement to prepare a cash flow statement.

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 1996**

**8 ULTIMATE PARENT COMPANY**

Development Securities PLC, a company registered in England and Wales is the company's ultimate parent and controlling company. Copies of the Report and Financial Statements of Development Securities PLC can be obtained from Portland House, Stag Place, London SW1E 5DS.

**9 RELATED PARTY DISCLOSURE**

The company is a wholly owned subsidiary undertaking and is thus exempt from the disclosure requirements of Financial Reporting Standard 8, "Related Party Disclosures", in accordance with paragraph 3(c) of the standard.