

Whittle Jones Group Limited

**Directors' report and financial
statements**

Registered number 1911331

31 March 2000



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Directors' report

The directors present their report, together with the financial statements for the year ended 31 March 2000.

Principal activity

The principal activities of the company during the year were property management and allied professional work.

Business review

The directors were satisfied with the company's performance during the year.

Results and dividends

The retained profit for the financial year attributable to shareholders is £nil (1999: £678,000). The directors do not recommend the payment of a dividend.

Directors

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

K Bolton
GS Brown
MJ Grindrod (resigned 1 June 2000)
S Stott
MD Thompson

No rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

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 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;
- 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 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 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.

Directors' report *(continued)*

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to re-appoint its auditors annually and KPMG will therefore continue in office.

By order of the board



PS Freeman
Secretary

Lynton House
Ackhurst Park
Lancashire
CHORLEY
PR7 1NY

2000

Edward VII Quay
Navigation Way
Ashton-on-Ribble
PRESTON
Lancashire PR2 2YF

Report of the auditors to the members of Whittle Jones Group Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 1, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

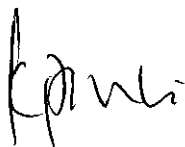
Basis of audit opinion

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 March 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors

14-12-2000

Profit and loss account

for the year ended 31 March 2000

	Note	2000 £000	1999 £000
Turnover	1	1,093	1,961
Administrative expenses		(1,193)	(1,303)
Operating (loss)/profit	2	(100)	658
Interest receivable and similar income	5	100	20
Profit on ordinary activities before taxation		-	678
Taxation on profit on ordinary activities	6	-	-
Retained profit for the financial year		-	678

All amounts relate to continuing activities.

There was no material difference between the reported profits and the historical cost profits of the company.

Statement of total recognised gains and losses

for the year ended 31 March 2000

The profit and loss account includes the only gains and losses of the company for the current and prior year.

Balance sheet

as at 31 March 2000

	Note	2000 £000	1999 £000
Fixed assets			
Tangible assets	7	115	153
Current assets			
Debtors	9	3,197	1,533
Cash at bank and in hand		3,736	4,528
		<u>6,933</u>	<u>6,061</u>
Creditors: amounts falling due within one year	10	<u>(5,447)</u>	<u>(4,613)</u>
Net current assets		<u>1,486</u>	<u>1,448</u>
		<u>1,601</u>	<u>1,601</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	1,600	1,600
Equity shareholders' funds	13	<u>1,601</u>	<u>1,601</u>

Approved by the board of directors on 14 December 2000 and signed on its behalf by:


 S Stott
 Director

Notes to the financial statements

1 Statement of accounting policies

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

Basis of preparation

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

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of TJH Group Limited, and its cash flows are included within the consolidated cash flow statement of that company.

Related party transactions

The directors have taken advantage of the exemption in Financial Reporting Standard Number 8, paragraph 3(c) and have not disclosed transactions with entities that are part of TJH Group Limited.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year. All turnover arises in the United Kingdom.

Tangible fixed assets and depreciation

The cost of tangible fixed assets less their estimated residual value is written off on a straight line basis over their useful lives. The principal annual rates in use are:

Plant and machinery	-	25%
Fixtures and fittings	-	25%

Investments

Investments are stated at cost less provision for diminution in value.

Taxation

The charge for taxation is based on the profit for the year and takes into account the taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation only to the extent that it is probable that an actual liability will crystallise.

Amounts claimed or surrendered by way of group relief are transferred at nil consideration.

Pensions

The company operates defined contribution pension schemes for the benefit of certain of its employees. Contributions are charged to the profit and loss account as they become payable by the company in accordance with the rules of the scheme.

Notes (continued)

2 Operating (loss)/profit

	2000	1999
	£000	£000
<i>Operating (loss)/profit is stated after charging:</i>		
Depreciation on owned assets	72	92
Operating lease rentals	10	10
Auditors' remuneration: audit	10	10
other	2	2
	<hr/>	<hr/>

3 Staff numbers and costs

	2000	1999
	£000	£000
<i>Employee costs (including directors):</i>		
Wages and salaries	628	630
Social security costs	52	58
Other pension costs	23	28
	<hr/>	<hr/>
	703	716
	<hr/>	<hr/>

The average number of persons employed by the company during the year (including directors) was:

	Number 2000	Number 1999
Management and administration	38	37
	<hr/>	<hr/>

4 Directors' remuneration

Directors remuneration of £104,000 (1999 £114,000) includes pension contributions of £6,000 (1999: £7,000).

The number of directors to whom benefits are accruing under the defined contribution scheme is 2 (1999: 2).

5 Interest receivable and similar income

	2000	1999
	£000	£000
Interest receivable from group undertakings	100	20
	<hr/>	<hr/>

6 Taxation

There is no tax charge for the current year due to the availability of group relief (1999: £nil).

Notes (continued)

7 Tangible fixed assets

	Plant and machinery £000	Fixtures and fittings £000	Total £000
Cost			
At 1 April 1999	404	89	493
Additions	36	-	36
Disposals	(24)	-	(24)
Transfers	10	-	10
At 31 March 2000	426	89	515
Depreciation			
At 1 April 1999	259	81	340
Charge for year	64	7	71
Disposal	(16)	-	(16)
Transfers	5	-	5
At 31 March 2000	312	88	400
Net book value			
At 31 March 2000	114	1	115
At 1 April 1999	145	8	153

8 Fixed asset investments

	Investments in subsidiary undertakings £000
Cost and net book value	
At beginning and end of year	-

At 31 March 2000 the company had the following subsidiary undertakings, all of which are incorporated in England and Wales:

	Principal activity	Proportion of ordinary shares held
Whittle Jones (Preston) Limited	Dormant	100%
Whittle Jones (Newcastle) Limited	Dormant	100%
Whittle Jones (Leeds) Limited	Dormant	100%

Notes (continued)

9 Debtors

	2000 £000	1999 £000
Trade debtors	1,234	449
Amounts owed by group undertakings	1,853	995
Prepayments and accrued income	110	89
	<u>3,197</u>	<u>1,533</u>

10 Creditors

	2000 £000	1999 £000
<i>Amounts falling due within one year</i>		
Trade creditors	2,213	1,980
Amounts owed to group undertakings	472	736
Other taxation and social security	54	92
Other creditors	2,522	1,660
Accruals and deferred income	186	145
	<u>5,447</u>	<u>4,613</u>

11 Called up share capital

	2000 £000	1999 £000
<i>Authorised</i>		
5,000 ordinary shares of £1 each	5	5
<i>Allotted, called up and fully paid</i>		
1,050 ordinary shares of £1 each	1	1

12 Reserves

	Profit and loss account £000
At 1 April 1999	1,600
Retained profit for the financial year	-
At 31 March 2000	<u>1,600</u>

Notes *(continued)*

13 Reconciliation of movements in shareholders' funds

	2000 £000	1999 £000
Profit for the financial year	-	678
Shareholders' funds at beginning of year	1,601	923
Shareholders' funds at end of year	<u>1,601</u>	<u>1,601</u>

14 Pensions

Certain of the company's employees are members of defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents pension contributions payable by the company to the fund and amounted to £23,000 (1999: £28,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

15 Contingent liabilities

The company is party to group banking arrangements for TJH Group Limited. Consequently, it is jointly and severally liable for the loans and overdrafts of TJH Group Limited and certain of its subsidiary undertakings. At 31 March 2000 the liability under this guarantee amounted to £127,849,000 (1999: £128,320,000).

16 Related party transactions

During the year the company charged a property management fee of £137,000 (1999: £nil) to Farringford Limited. At 31 March 2000 rentals collected by the company of £243,000 (1999: £nil) were owed to Farringford Limited. The family interests of Mr TJ Hemmings are shareholders in both TJH Group Limited (the ultimate parent company) and Farringford Limited.

17 Ultimate parent company

The ultimate parent company is TJH Group Limited, a company registered in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by TJH Group Limited. The consolidated financial statements of TJH Group Limited are available to the public and may be obtained from:

The Registrar of Companies
Companies House
Crown Way
CARDIFF
CF4 3UZ