Whittle Jones Group Limited

Directors' report and financial statements

Registered number 1911331

31 March 2004

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Directors' report

The directors present their report, together with the financial statements for the year ended 31 March 2004.

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 results for the year.

Results and dividends

The retained loss for the financial year attributable to shareholders is £nil *(2003: £nil)*. The directors do not recommend the payment of a dividend.

Directors

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

GS Brown
MD Thompson
TR Parkinson

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 LLP will therefore continue in office.

By order of the board

TR Parkinson.

TR Parkinson
Director

Lynton House
Ackhurst Park
CHORLEY
Lancashire
PR7 1NY

28/01/2005

KPMG

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

Independent auditor's report to the members of Whittle Jones Group Limited

We have audited the financial statements on pages 4 to 11.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

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 1985. 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 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

21/01/2005

Profit and loss account

for the year ended 31 March 2004

	Note	2004 £000	2003 £000
Turnover	*1*	**1,979**	1,882
Cost of sales		**(257)**	(227)
Gross profit		**1,722**	1,655
Administrative expenses		**(1,729)**	(1,667)
Other operating income		**5**	-
Operating loss	*2*	**(2)**	(12)
Interest receivable and similar income	*5*	**2**	12
Loss on ordinary activities before taxation		**-**	-
Taxation on loss on ordinary activities	*6*	**-**	-
Retained loss for the financial year		**-**	-

All amounts relate to continuing activities.

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

Statement of total recognised gains and losses

for the year ended 31 March 2004

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 2004

	Note	**2004**		2003	
		£000	**£000**	£000	£000
Fixed assets					
Tangible assets	*7*		**22**		25
Current assets					
Debtors	*8*	**3,450**		3,292	
Cash at bank and in hand		**4,938**		4,800	
		8,388		8,092	
Creditors: amounts falling due within one year	*9*	**(6,832)**		(6,539)	
Net current assets			**1,556**		1,553
Net assets			**1,578**		1,578
Capital and reserves					
Called up share capital	*10*		**1**		1
Profit and loss account	*11*		**1,577**		1,577
Equity shareholders' funds	*12*		**1,578**		1,578

Approved by the board of directors on 28 January 2005 and signed on its behalf by:

TR Parkinson

TR Parkinson
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 Northern Trust 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 Northern Trust 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 taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Full provision without discounting is made for deferred taxation in accordance with FRS 19.

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

	2004 £000	2003 £000
Operating loss		
after charging:		
Depreciation on owned assets	**12**	21
Operating lease rentals	**82**	54
Auditor's remuneration: audit	**12**	15

3 Staff numbers and costs

	2004 £000	2003 £000
Employee costs (including directors):		
Wages and salaries	**1,012**	897
Social security costs	**99**	80
Other pension costs	**34**	33
	1,145	1,010

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

	2004 Number	2003 Number
Operational	**43**	45
Management and administration	**8**	9

4 Directors' remuneration

Directors remuneration of £60,000 *(2003: £51,000)* includes pension contributions of £3,000 *(2003: £3,000)*.

The number of directors to whom benefits are accruing under the defined contribution scheme is 1 *(2003: 1)*.

5 Interest receivable and similar income

	2004 £000	2003 £000
Interest receivable from group undertakings	**2**	12

Notes *(continued)*

6 Taxation

	2004 £000	2003 £000
UK Corporation tax at 30% *(2002: 30%)*	**-**	-

	2004 £000	2003 £000
Result of ordinary activities before taxation	**-**	-
Result of ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% *(2003: 30%)*	**-**	-
Effects of:		
Expenses not deductible for tax purposes	**-**	3
Other	**-**	(1)
Group relief surrendered to fellow group companies	**6**	2
Capital allowances for period in excess of depreciation	**(6)**	(4)
Current tax charge for the period	**-**	-

Notes *(continued)*

7 Tangible fixed assets

	Plant and machinery £000	Total £000
Cost		
At 1 April 2003	151	151
Additions	17	17
Disposals	(87)	(87)
At 31 March 2004	81	81
Depreciation		
At 1 April 2003	125	125
Charge for year	12	12
Disposal	(78)	(78)
At 31 March 2004	59	59
Net book value		
At 31 March 2004	**22**	**22**
At 1 April 2003	25	25

8 Debtors

	2004 £000	2003 £000
Trade debtors	**1,394**	1,828
Amounts owed by group undertakings	**1,981**	1,298
Prepayments and accrued income	**71**	165
Other debtors	**4**	1
	3,450	3,292

Notes *(continued)*

9 Creditors

	2004	2003
	£000	£000
Amounts falling due within one year		
Bank overdraft	**527**	613
Trade creditors	**6,211**	5,771
Amounts owed to group undertakings	**1**	27
Other taxation and social security	**31**	29
Other creditors	**6**	7
Accruals and deferred income	**56**	92
	6,832	6,539

10 Called up share capital

	2004	2003
	£000	£000
Authorised		
5,000 ordinary shares of £1 each	**5**	5
Allotted, called up and fully paid		
1,050 ordinary shares of £1 each	**1**	1

11 Reserves

	Profit and loss account £000
At 1 April 2003 and 31 March 2004	1,577
	1,577

12 Reconciliation of movements in shareholders' funds

	2004	2003
	£000	£000
Result for the financial year	**-**	-
Shareholders' funds at beginning of year	**1,578**	1,578
Shareholders' funds at end of year	**1,578**	1,578

Notes *(continued)*

13 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 £34,000 *(2003: £31,000).*

There were accrued contributions at the end of the financial year of £nil *(2003: £3,000).*

14 Contingent liabilities

The company is party to group banking arrangements for Northern Trust Group Limited. Consequently, it is jointly and severally liable for the loans and overdrafts of Northern Trust Group Limited and certain of its subsidiary undertakings. At 31 March 2004 the liability under this guarantee amounted to £224,899,000 *(2003: £229,150,000).*

15 Related party transactions

At 31 March 2004 rentals collected by the company of £24,000 *(2003:* £193,000*)* were owed to Farringford Limited and £44,000 *(2003:£12,000)* were owed to The Malthouse Development Company Limited. The family interests of Mr TJ Hemmings are shareholders in Northern Trust Group Limited (the ultimate parent company), Farringford Limited and The Malthouse Development Company Limited.

During the year a management fee of £80,000 *(2003: £100,000)* and rent of £79,000 *(2003: £72,000)* were received from Trust Inns Limited. The family interests of Mr TJ Hemmings are shareholders in Northern Trust Group Limited (the ultimate parent company) and Trust Inns Limited.

16 Ultimate parent company

The ultimate parent company is Northern Trust 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 Northern Trust Group Limited. The consolidated financial statements of Northern Trust Group Limited are available to the public and may be obtained from:

The Registrar of Companies
Companies House
Crown Way
CARDIFF
CF14 3UZ