

Whittle Jones Group Limited

Directors' report and financial statements

31 March 1996

Registered number 1911331



Whittle Jones Group Limited

Directors' report and financial statements

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Whittle Jones Group Limited

Directors' report

The directors present their report, together with the financial statements for the year ended 31 March 1996.

Principal activity

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

Business review

The trade and assets of the company's three subsidiaries were transferred into Whittle Jones Group Limited on 1 April 1995 resulting in an increase in profits for the company.

Results and dividends

The profit for the year after taxation attributable to shareholders is £657,000 (1995: loss £1,000) and has been transferred to reserves. The directors do not recommend the payment of a dividend (1995: £nil).

Tangible fixed assets

A summary of the movements in the company's tangible fixed assets is shown in note 7 to the financial statements.

Directors

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

GP Furlong

W McNab

ML Widders (appointed 1 April 1996)

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; and
- 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 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.

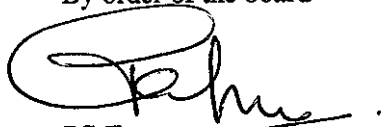
Whittle Jones Group Limited

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

61 St Thomas's Road
CHORLEY
Lancashire
PR7 1JE

30/9/1996



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 11.

Respective responsibilities of directors and auditors

As described on page 1, 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 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

30 September 1996



Whittle Jones Group Limited

Profit and loss account

for the year ended 31 March 1996

	<i>Note</i>	1996 £000	1995 £000
Turnover	<i>1</i>	1,428	141
Administrative expenses		(1,297)	(142)
Operating profit/(loss)	<i>2</i>	131	(1)
Income from shares in subsidiary undertakings		528	-
Interest payable	<i>3</i>	(2)	-
Retained profit/(loss) for the financial year	<i>12</i>	657	(1)

All amounts relate to continuing activities.

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

There was no material difference between the reported profit/(loss) and the historical cost profit/(loss) of the company.

Whittle Jones Group Limited

Balance sheet

as at 31 March 1996

	Note	1996 £000	1995 £000
Fixed assets			
Tangible assets	7	187	37
Investments	8	-	-
		<u>187</u>	<u>37</u>
Current assets			
Debtors	9	3,103	1,006
Cash at bank and in hand		1,904	1,309
		<u>5,007</u>	<u>2,315</u>
Creditors: amounts falling due within one year	10	(4,492)	(2,307)
Net current assets		<u>515</u>	<u>8</u>
		<u>702</u>	<u>45</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	701	44
Equity shareholders' funds	13	<u>702</u>	<u>45</u>

Approved by the board of directors on 30/5/1996 and signed on its behalf by:

GP Furlong
Director



Whittle Jones Group Limited

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.

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%

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.

Investments

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

2 Operating profit/(loss)

	1996	1995
	£000	£000

*Operating profit/(loss) is stated:
after charging*

Depreciation:

owned assets	82	5
Auditors' remuneration	1	1

Whittle Jones Group Limited

Notes (continued)

3 Interest payable

	1996 £000	1995 £000
Other interest payable	2	-
	<hr/>	<hr/>

4 Taxation

There is no charge to corporation tax for the year due to the availability of accumulated tax losses (1995: £nil).

5 Staff numbers and costs

	1996 £000	1995 £000
<i>Employee costs (including directors):</i>		
Wages and salaries	545	63
Social security costs	51	6
	<hr/>	<hr/>
	596	69
	<hr/>	<hr/>

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

	Number 1996	Number 1995
Management and administration	38	5
	<hr/>	<hr/>

6 Directors' remuneration

No emoluments were paid to the directors of the company during the year (1995: £nil).

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Notes (continued)

7 Tangible fixed assets

	Plant and machinery £000	Fixtures and fittings £000	Total £000
<i>Cost</i>			
At 1 April 1995	42	1	43
Additions	64	34	98
Disposals	(6)	-	(6)
Inter-group transfers	212	52	264
	<hr/>	<hr/>	<hr/>
At 31 March 1996	312	87	399
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 April 1995	6	-	6
Charge for year	64	18	82
Inter-group transfers	105	19	124
	<hr/>	<hr/>	<hr/>
At 31 March 1996	175	37	212
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 1996	137	50	187
	<hr/>	<hr/>	<hr/>
At 1 April 1995	36	1	37
	<hr/>	<hr/>	<hr/>

The company held no tangible fixed assets under finance lease or hire purchase contracts and had no capital commitments at the end of the current and prior year.

8 Fixed asset investments

	Investments in subsidiary undertakings £000
<i>Cost and net book value</i>	
At beginning and end of year	<hr/>

Whittle Jones Group Limited

Notes (continued)

8 Fixed asset investments (continued)

The company's subsidiary undertakings at 31 March 1996 were:

Subsidiary undertaking	Country of incorporation	Principal activity	Proportion of ordinary shares held
Whittle Jones (Preston) Limited	England	Dormant	100%
Whittle Jones (Newcastle) Limited	England	Dormant	100%
Whittle Jones (Leeds) Limited	England	Dormant	100%

9 Debtors

	1996 £000	1995 £000
Trade debtors	2,252	182
Amounts owed by group undertakings	257	770
Dividends owed by subsidiary undertakings	528	-
Prepayments and accrued income	66	54
	<u>3,103</u>	<u>1,006</u>
<i>The amounts owed by group undertakings comprise:</i>		
Parent and fellow subsidiary undertakings	238	695
Subsidiary undertakings	19	75
	<u>257</u>	<u>770</u>

Whittle Jones Group Limited

Notes (continued)

10 Creditors

	1996 £000	1995 £000
<i>Amounts falling due within one year</i>		
Trade creditors	819	426
Amounts owed to group undertakings	3,043	1,703
Other creditors including taxation and social security	535	161
Accruals and deferred income	95	17
	<u>4,492</u>	<u>2,307</u>
<i>The amounts owed to group undertakings comprises:</i>		
Parent and fellow subsidiary undertakings	2,496	1,703
Subsidiary undertakings	547	-
	<u>3,043</u>	<u>1,703</u>

11 Called up share capital

	1996 £000	1995 £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 1995	44
Profit for the financial year	657
At 31 March 1996	<u>701</u>

Whittle Jones Group Limited

Notes (continued)

13 Reconciliation of movements in shareholders' funds

	1996 £000	1995 £000
Profit/(Loss) for the financial year	657	(1)
Shareholders' funds at beginning of year	45	46
Shareholders' funds at end of year	<u>702</u>	<u>45</u>

14 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 1996 the liability under this guarantee amounted to £124,230,000 (1995: £125,342,000).

15 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