

Citytowns Limited

Annual report

for the year ended 30 September 1997

Registered no: 1911852



Coopers  
& Lybrand

# **Citytowns Limited**

## **Annual report for the year ended 30 September 1997**

	<b>Pages</b>
<b>Directors and advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2 - 3</b>
<b>Report of the auditors</b>	<b>4</b>
<b>Balance sheet</b>	<b>5</b>
<b>Notes to the financial statements</b>	<b>6 - 8</b>

## Directors and advisers

### Directors

R H Dickinson  
S Dickinson  
P M Milburn  
A R Cunningham

### Secretary and registered office

G J Davis  
Chaucer Buildings  
Grainger Street  
Newcastle upon Tyne  
NE1 5LE

### Registered Auditors

Coopers & Lybrand  
Hadrian House  
Higham Place  
Newcastle upon Tyne  
NE1 8BP

### Solicitors

Dickinson Dees  
Cross House  
Westgate Road  
Newcastle upon Tyne  
NE99 1SB

### Bankers

Barclays Bank Plc  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3PN

**Directors' report  
for the year ended 30 September 1997**

The directors present their report and the audited financial statements for the year ended 30 September 1997.

**Principal activities and review of business**

The company did not trade during the year and does not intend to trade in the foreseeable future.

**Dividend**

The directors do not recommend the payment of a dividend (1996: £Nil).

**Directors**

The directors who served during the year and to the date of this report were:

R H Dickinson (Chairman)

S Dickinson

P M Milburn

A R Cunningham (appointed 20 May 1997)

The directors have no beneficial interest in the share capital of the company. The beneficial interests of Mr R H Dickinson, Mr S Dickinson, Mr P M Milburn and Mr A R Cunningham in the shares of the ultimate holding company, Grainger Trust p.l.c., are shown in the annual report of Grainger Trust p.l.c..

## Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 September 1997. The directors also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

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

## Auditors

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

**By order of the board**



Secretary

22.1.98

## Report of the auditors to the members of Citytowns Limited

We have audited the financial statements on pages 5 to 8.

### Respective responsibilities of directors and auditors

As described on page 3 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 at 30 September 1997 and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand*

Chartered Accountants and Registered Auditors  
Newcastle upon Tyne

22 January 1998

**Balance sheet  
at 30 September 1997**

	Notes	1997 £	1996 £
<b>Current assets</b>			
Debtors	3	11,475	11,475
		<u>11,475</u>	<u>11,475</u>
<b>Creditors: amounts falling due within one year</b>	4	(11,475)	(11,475)
		<u>-</u>	<u>-</u>
<b>Net current assets</b>		-	-
<b>Net assets</b>		<u>-</u>	<u>-</u>
<b>Capital and reserves</b>			
Called up share capital	5	250,000	250,000
Profit and loss account	6	(250,000)	(250,000)
		<u>-</u>	<u>-</u>
<b>Equity shareholders' funds</b>		<u>-</u>	<u>-</u>

The financial statements on pages 5 to 8 were approved by the board of directors on  
22 January 1998. and were signed on its behalf by:

*AKCunniff*

Director

**Notes to the financial statements  
for the year ended 30 September 1997****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.

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Cash flow**

The company is a wholly owned subsidiary of Grainger Trust p.l.c. and the cash flows of the company are included in the consolidated cash flow statement of Grainger Trust p.l.c.. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

**Deferred taxation**

Provision is made for deferred taxation, using the liability method on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

**2 Directors and employees**

There are no persons holding service contracts with Citytowns Limited.

No directors received any remuneration from the company during the year, or in the previous year.

**3 Debtors**

	1997 £	1996 £
Amounts falling due within one year:		
Amounts owed by parent company and fellow subsidiaries	11,475	11,475



**4 Creditors: amounts falling due within one year**

	1997 £	1996 £
Corporation tax	<u>11,475</u>	<u>11,475</u>

**5 Called up share capital**

	1997 £	1996 £
<b>Authorised</b>		
250,000 ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
<b>Allotted, called up and fully paid</b>		
250,000 ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

**6 Reserves**

	Profit and loss account £
At 1 October 1996 and 30 September 1997	<u>(250,000)</u>

**7 Contingent liabilities**

The company, together with certain of its fellow subsidiaries, has guaranteed mortgages and loans of £64,380,000 of certain fellow subsidiaries by means of a floating charge over its assets.

**8 Related party transactions**

The company has taken advantage of the exemptions available under Financial Reporting Standard No.8 and has not disclosed transactions with companies that are part of the Grainger Trust p.l.c. group.

Mr R H Dickinson was a partner in Dickinson Dees, Solicitors until 31 March 1997. Total net payments, which have been made on normal commercial terms from Grainger Trust p.l.c and its subsidiaries to Dickinson Dees for the year ended 30 September 1997 amounted to £376,134 (1996: £453,966).

**9 Controlling parties**

The directors regard Northumberland & Durham Property Trust Limited, a company registered in England and Wales, as the immediate controlling party and parent company by virtue of its 100% shareholding in the company.

The directors regard Grainger Trust p.l.c., a company registered in England and Wales, as the ultimate controlling party and parent company by virtue of its majority shareholding. Copies of the parent's consolidated financial statements may be obtained from Chaucer Buildings, 57 Grainger Street, Newcastle upon Tyne, NE1 5LE.