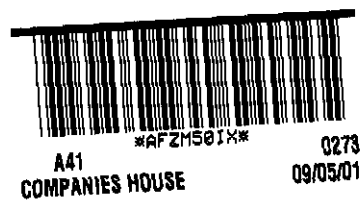


Rotation Finance Limited

Annual report

for the year ended 30 September 2000

Registered Number 1976688



# Rotation Finance Limited

## Annual report

for the year ended 30 September 2000

## Contents

Directors and Advisors for the year ended 30 September 2000.....	1
Directors' report for the year ended 30 September 2000 .....	2
Auditors' report to the members of Rotation Finance Limited.....	5
Profit and loss account for year ended 30 September 2000 .....	6
Balance sheet as at 30 September 2000 .....	7
Accounting policies .....	8
Notes to the financial statements for the year ended 30 September 2000.....	9

# **Rotation Finance Limited**

## **Directors and Advisors for the year ended 30 September 2000**

### **Directors**

R H Dickinson

S Dickinson

A R Cunningham

G J Davis

### **Secretary and registered office**

G J Davis

Times Square

Newcastle upon Tyne

NE1 4EP

### **Auditors**

PricewaterhouseCoopers

89 Sandyford Road

Newcastle upon Tyne

NE99 1PL

### **Solicitors**

Dickinson Dees

St Ann's Wharf

112 Quayside

Newcastle upon Tyne

NE99 1SB

### **Bankers**

Barclays Bank Plc

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3PN

# Rotation Finance Limited

## Directors' report for the year ended 30 September 2000

The directors present their report and the audited financial statements for the year ended 30 September 2000.

### Principal activities and review of business

The principal activity of the company is that of a holding company.

### Directors

The directors who served during the year and to the date of this report, unless otherwise stated, were:

R H Dickinson  
S Dickinson  
A R Cunningham  
G J Davis

The directors have no beneficial interest in the share capital of the company. The beneficial interests of Mr R H Dickinson, Mr S Dickinson 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..

The beneficial interest of the other director in the shares of Grainger Trust p.l.c. was as follows:

	30 September 2000 Number	30 September 1999 Number
G J Davis	37,059	17,356

# Rotation Finance Limited

## Director's share options at 30 September 2000

Option price	Date exercisable	Ordinary shares of 25p each Mr G J Davis	
		2000	1999
Revenue approved schemes			
128.4p	19 July 1994 to 18 July 2001	-	20,000
LTIP scheme			
267.1p	9 July 2000 to 9 July 2007	8,911	8,911
SAYE scheme			
214p	5 Aug 2002 to 5 Feb 2003	8,060	8,060
Total number of share options		16,971	36,971

During the year Mr G J Davis exercised options on 20,000 shares at an option price of 128.4p. At the date of exercise the mid-market price per share was 477.5p per share.

### 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 year.

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 2000. 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.

# Rotation Finance Limited

## Auditors

A resolution to reappoint PricewaterhouseCoopers will be proposed at the annual general meeting.

By order of the Board



G. L. Davis  
Secretary

28 March 2001

# Rotation Finance Limited

## Auditors' report to the members of Rotation Finance Limited

We have audited the financial statements on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

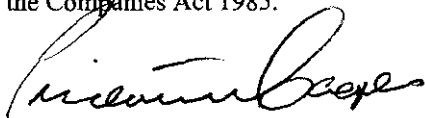
### Basis of audit opinion

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 at 30 September 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
28 March 2001

## **Rotation Finance Limited**

### **Profit and loss account for year ended 30 September 2000**

The company did not trade during the period and therefore did not make a profit or a loss in the year.

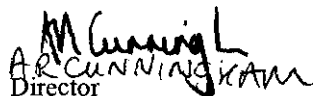


# Rotation Finance Limited

## Balance sheet as at 30 September 2000

	Note	2000 £	1999 £
<b>Fixed assets</b>			
Investments	2	27,437,631	27,394,631
<b>Current assets</b>			
Creditors: amounts falling due within one year	3	(27,409,974)	(27,366,974)
<b>Net current liabilities</b>		<b>(27,409,974)</b>	<b>(27,366,974)</b>
<b>Total assets less current liabilities</b>		<b>27,657</b>	<b>27,657</b>
<b>Net assets</b>		<b>27,657</b>	<b>27,657</b>
<b>Capital and reserves</b>			
Called up share capital	4	100	100
Profit and loss account	5	27,557	27,557
<b>Equity shareholders' funds</b>	6	<b>27,657</b>	<b>27,657</b>

The financial statements on pages 6 to 11 were approved by the board of directors on 28 March 2001 and were signed on its behalf by:

  
Director

# **Rotation Finance Limited**

## **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 company prepares its annual financial statements on the historical cost basis of accounting.

### **Cash flow**

The company is a wholly owed 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.

### **Investments**

Investments in subsidiaries are included as cost less provisions for any permanent diminution in value.

### **Consolidated accounts**

The company does not prepare consolidated accounts as it is the wholly owned subsidiary of a parent undertaking established under the law of a member state of the European Economic Area into the accounts of which its results have been consolidated.

# Rotation Finance Limited

## Notes to the financial statements for the year ended 30 September 2000

### 1 Directors and employees

There are no persons holding service contracts with Rotation Finance Limited.

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

### 2 Investments

	£
At 1 October 1999	27,394,631
Additions	43,000
At 30 September 2000	27,437,631

The company owns 100% of the issued ordinary share capital of Frincon Holdings 1986 Limited, a company registered in England and Wales. Frincon Holdings 1986 Limited is a holding company with subsidiaries whose principal businesses are in property investment.

The additions to investments relate to fees associated with the original acquisition of the investments.

### 3 Creditors

	2000	1999
	£	£
Amounts falling due within one year:		
Amounts owed to parent company	27,409,974	27,366,974

# Rotation Finance Limited

## 4 Called up share capital

	2000	1999
	£	£
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
100 ordinary shares of £1 each	100	100

## 5 Profit and loss account

	£
At 1 October 1999 and at 30 September 2000	27,557

## 6 Reconciliation of movements in equity shareholders' funds

	2000	1999
	£	£
Profit for the financial year	-	-
Opening equity shareholders' funds	27,657	27,657
Closing equity shareholders' funds	27,657	27,657

## 7 Contingent liabilities

The company has granted a first charge over its shareholdings in Frincon Holdings 1986 Limited to its ultimate parent company, Grainger Trust p.l.c..

## 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.

# **Rotation Finance Limited**

## **9 Controlling parties**

The directors regard Grainger Trust p.l.c., a company registered in England and Wales, as the immediate and ultimate controlling party and parent company by virtue of its majority shareholding. Copies of the parent's consolidated financial statements may be obtained from The Secretary, Grainger Trust p.l.c., Times Square, Newcastle upon Tyne, NE1 4EP.