

Company Registration Number : 2280224
2157163

NHL CONSTRUCTION LIMITED

REPORT AND ACCOUNTS

Year ended 30 September 1994



DIRECTORS' REPORT

The directors submit their Report and Accounts for the year ended 30 September 1994.

ACTIVITIES

The principal activity during the year continued to be the provision of construction services on behalf of The National Home Loans Corporation plc.

RESULTS

The results for the year are shown in the profit and loss account on page 4.

The loss of £31,000 (1993 : £nil) has been deducted from reserves.

DIVIDENDS

An interim dividend of £29,834.47 per share was paid on 21 March 1994. The directors do not propose a final dividend. No dividend was paid or proposed for the year ended 30 September 1993.

DIRECTORS

The directors during the year were :

N S Terrington
R D Shelton

Mr N S Terrington is a director of the ultimate parent company. Accordingly, his interests in the shares of group companies are disclosed in that company's directors' report.

Mr R D Shelton is an employee of National Home Loans Holdings PLC. At 30 September 1994 he had a beneficial interest in the share capital of that company of 26,639 ordinary shares (38,117 at 30 September 1993) and 177,594 convertible preference shares (177,594 at 30 September 1993) under share option schemes. He had no further interest in the shares of group companies.

Neither of the directors had any interest either during or at the end of the year in any material contract or arrangement with the company.

Neither director had a service contract with the company.

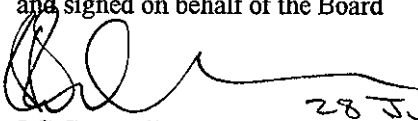
INSURANCE FOR DIRECTORS AND OFFICERS

During the year the company maintained effective insurance for directors and officers against liabilities in relation to the company.

AUDITORS

Touche Ross & Co. have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board


J G Gemmell
Secretary

28 June 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES
in relation to Financial Statements

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which 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 and loss for the financial year. As required, in the absence of any circumstances which would make it inappropriate, the financial statements have been prepared on a going concern basis.

The directors consider that in preparing the financial statements (on pages 4 to 7), the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

AUDITORS REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 7 which have been prepared under the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 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.

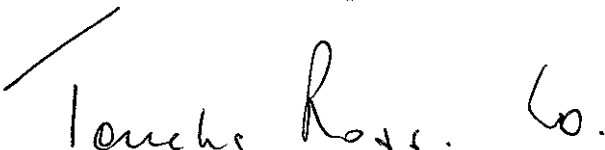
Basis of Opinion

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 30 September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Touche Ross & Co.

Touche Ross & Co.
Chartered Accountants and Registered Auditors
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN

4th July 1995.

NHL CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 September 1994

	Note	1994 £'000	1993 £'000
Turnover		28	-
Cost of sales		<u>-</u>	<u>-</u>
Gross profit		28	-
Administrative expenses		<u>-</u>	<u>-</u>
Operating profit, being profit on ordinary activities before taxation		28	-
Taxation on profit on ordinary activities		<u>-</u>	<u>-</u>
Profit on ordinary activities after taxation		28	-
Dividend	2	<u>(59)</u>	<u>-</u>
Loss for the year		<u><u>(31)</u></u>	<u><u>-</u></u>

All activities derive from continuing operations.

There are no recognised gains or losses, or other movements in shareholders' funds during the year, other than the loss for the year.

STATEMENT OF MOVEMENT ON RESERVES

	Profit and Loss Account £'000
Balance at 1 October 1993	31
Loss for the year	<u>(31)</u>
Balance at 30 September 1994	<u><u>-</u></u>

NHL CONSTRUCTION LIMITED**BALANCE SHEET****30 September 1994**

	Note	1994 £'000	1993 £'000
ASSETS EMPLOYED			
CURRENT ASSETS			
Cash at bank		<u>-</u>	<u>75</u>
FINANCED BY			
EQUITY SHAREHOLDERS' FUNDS			
Share capital	4	-	-
Profit and loss account		-	31
CREDITORS			
Amounts falling due within one year	5	<u>-</u>	<u>44</u>
		<u>-</u>	<u>75</u>

Approved by the Board of Directors on *28 June 1995*

Signed on behalf of the Board of directors.

R D Shelton
Director

NOTES TO THE ACCOUNTS

Year to 30 September 1994

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

2. DIVIDEND

An interim dividend of £59,000 (1993 : £nil), £29,834.47 per share, was paid during the year. No final dividend is proposed.

3. DIRECTORS AND EMPLOYEES

The directors have not received any emoluments during the year. The company has no other employees.

4. CALLED UP SHARE CAPITAL

	1994 £'000	1993 £'000
Authorised:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

NOTES TO THE ACCOUNTS

Year ended 30 September 1994

5. CREDITORS

	1994 £'000	1993 £'000
Amounts falling due within one year :		
Amounts due to group companies	-	40
Taxation	-	4
	<u>-</u>	<u>44</u>

6. ULTIMATE PARENT COMPANY

The company's ultimate parent company is National Home Loans Holdings PLC, a company registered in England and Wales. Copies of the Group's financial statements are available from that company's registered office at St Catherine's Court, Herbert Road, Solihull, West Midlands, B91 3QE.