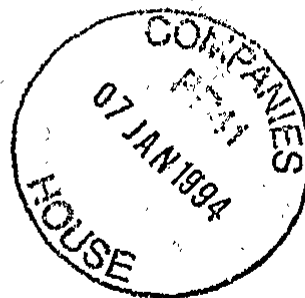


2252848

# Stockley Park Consortium Limited

## Report and Financial Statements

30 June 1993



# **Stockley Park Consortium Limited**

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Registered No. 2252848

## **DIRECTORS**

M H A Broke (Chairman)  
N H G Thompson  
K Uchida  
A D Vander Meersch  
J Wythe (Alternate Director)  
T Ishiyama (Alternate Director)  
R M Dantzie

## **SECRETARY**

C A Rouse

## **AUDITORS**

Ernst & Young  
Rolls House  
7 Rolls Buildings  
Fetter Lane  
London EC4A 1NH

## **BANKERS**

Lloyds Bank Plc  
Faryners House  
25 Monument Street  
London EC3R 8BQ

## **SOLICITORS**

Herbert Smith  
Exchange House  
Primrose Street  
London EC2A 2HS

## **REGISTERED OFFICE**

Lansdowne House  
Berkeley Square  
London W1X 6BP

# Stockley Park Consortium Limited

## DIRECTORS' REPORT

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The directors present their report and group financial statements for the year ended 30 June 1993.

### RESULTS AND DIVIDENDS

The results for the year and the state of affairs of the company and the group are as set out in the attached financial statements. The directors are unable to recommend the payment of a dividend.

### PRINCIPAL ACTIVITY

The principal activity of the company is that of property development and trading. The company's subsidiary undertaking operates sporting and leisure facilities at Stockley Park Heathrow.

### REVIEW OF THE BUSINESS

During a continued difficult period for the property industry, the company has managed to attract new tenants to Stockley Park, with new headquarter facilities for Tetrapak, Reebok and Polaroid and a regional office for American Express. In total, over 100,000 square feet of commercial office space was leased during the year, with under 3% of completed space remaining. Outline planning consent is in place for the future development of 500,000 square feet of commercial office space, with the potential for increasing this by a further 50%.

The company has reviewed its strategy with respect to future development and the holding of completed, leased properties. With the recent upturn in activity in the investment market, the company has taken the opportunity to dispose of the two buildings leased to EDS Scicon and the building leased to Hasbro Bradley. These buildings were sold to the British Rail Pension Trustee Company and Pearl Assurance for a total of approximately £70 million. These transactions were completed after the year end. The company has used part of the proceeds from the disposals for repayment of debt, and has retained the balance for funding future infrastructure works.

The company does not envisage any speculative development at this time and future buildings will be marketed on a pre-let basis. However, construction work amounting to £5 million has commenced on additional highway works.

The planning gain amenity items associated with Phase 1, which included a championship standard golf course, football pitches, district park, and equestrian facilities, were completed and handed over to the London Borough of Hillingdon in June 1993. Completion was 18 months ahead of both the programme and the company's obligations under the planning agreements.

A new joint venture company has been formed with the PGA European Tour Golf Courses (IMG) Limited to operate the golf course, together with related leisure and recreational facilities. This new company has taken on a 25 year lease from the London Borough of Hillingdon, which includes the management of the facilities.

# Stockley Park Consortium Limited

## DIRECTORS' REPORT

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### DIRECTORS AND THEIR INTERESTS

The current directors of the company are listed on page 2.

D A Metter resigned on 1 July 1993 and R M Dantzic was appointed on 1 July 1993.

J P Codling resigned as a director in March 1992 and was immediately appointed as an alternate director. In February 1993 he resigned as an alternate director.

M H A Broke was appointed chairman of the company upon the resignation of D A Metter.

No director was beneficially interested in the share capital of the company at any time during the year.

### FIXED ASSETS

The changes in fixed assets during the year are shown in notes 9 and 10 to the financial statements.

### AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

For and on behalf of the board

A D Vander Meersch

Director

5 November 1993

## Stockley Park Consortium Limited

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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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 the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS**  
to the members of Stockley Park Consortium Limited

We have audited the financial statements on pages 7 to 19, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 11 and 12.

**Respective responsibilities of directors and auditors**

As described on page 5, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

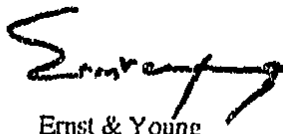
**Basis of opinion**

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 group'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 affairs of the company and of the group at 30 June 1993 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Chartered Accountants  
Registered Auditor  
London

5 November 1993

# Stockley Park Consortium Limited

## CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 30 June 1993

	Notes	1993 £	1992 £
<b>TURNOVER</b>	3	11,438,000	9,754,429
Cost of sales - ordinary trading		(1,664,076)	(1,109,032)
- operating exceptional items	4	(2,510,306)	(30,107,600)
		<u>7,263,618</u>	<u>(21,462,203)</u>
<b>GROSS PROFIT</b>			
Administrative expenses		(1,775,903)	(1,305,490)
	5a	<u>5,487,715</u>	<u>(22,768,693)</u>
<b>OPERATING PROFIT</b>			
Interest receivable		1,138,971	944,541
Interest payable	7	(12,330,901)	(9,902,844)
		<u>(5,704,215)</u>	<u>(31,726,996)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3		
Taxation	8	-	4,483,899
		<u>(5,704,215)</u>	<u>(27,243,097)</u>
<b>LOSS FOR THE YEAR</b>	20	<u>(5,704,215)</u>	<u>(27,243,097)</u>

The group had no other recognised gains and losses during the year.

The comparative figures have been restated in accordance with Financial Reporting Standard No. 3.

# Stockley Park Consortium Limited

## CONSOLIDATED BALANCE SHEET

at 30 June 1993

	Notes	1993 £	1992 £
<b>FIXED ASSETS</b>			
Tangible assets	9	156,771	131,096
Investment in associated undertaking	10	5,000	—
		<u>161,771</u>	<u>131,096</u>
<b>CURRENT ASSETS</b>			
Stocks and work-in-progress	11	217,599,331	212,173,601
Debtors - due within one year	12a	1,471,095	6,907,475
Short-term investment	13	—	730,519
Cash at bank and in hand	14a	4,328,710	7,688,303
		<u>223,399,136</u>	<u>227,499,898</u>
<b>CREDITORS: amounts falling due within one year</b>	15	(14,055,515)	(19,697,617)
<b>NET CURRENT ASSETS</b>		<u>209,343,621</u>	<u>207,802,281</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>209,505,392</u>	<u>207,933,377</u>
<b>CREDITORS: amounts falling due after more than one year</b>	16	(173,848,905)	(166,572,675)
		<u>35,656,487</u>	<u>41,360,702</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	58,005,120	58,005,120
Profit and loss account	20	(22,348,633)	(16,644,418)
		<u>35,656,487</u>	<u>41,360,702</u>

A D Vander Meersch

Director

M H A Broke

Director

5 November 1993



# Stockley Park Consortium Limited

## BALANCE SHEET

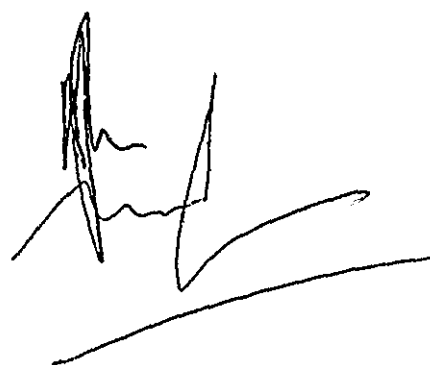
at 30 June 1993

	Notes	1993 £	1992 £
<b>FIXED ASSETS</b>			
Tangible assets	9	25,529	14,946
Investments	10	2	2
		<u>25,531</u>	<u>14,948</u>
<b>CURRENT ASSETS</b>			
Stocks and work-in-progress	11	217,581,285	212,152,139
Debtors - amounts falling due:			
within one year	12a	1,210,248	6,809,532
after more than one year	12b	1,300,000	1,175,000
		<u>2,510,248</u>	<u>7,984,532</u>
Short-term investment	13	—	730,519
Cash at bank and in hand	14	4,219,560	7,529,884
		<u>224,311,093</u>	<u>228,397,074</u>
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(13,547,547)</u>	<u>(19,240,411)</u>
<b>NET CURRENT ASSETS</b>		<u>210,763,546</u>	<u>209,156,663</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>210,789,077</u>	<u>209,171,611</u>
<b>CREDITORS: amounts falling due after more than one year</b>	16	<u>(173,848,905)</u>	<u>(166,572,675)</u>
		<u><u>36,940,172</u></u>	<u><u>42,598,936</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	58,005,120	58,005,120
Profit and loss account	20	(21,064,948)	(15,406,184)
		<u><u>36,940,172</u></u>	<u><u>42,598,936</u></u>

A D Vander Meersch Director

M H A Broke Director

5 November 1993



# Stockley Park Consortium Limited

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 30 June 1993

	Notes	1993 £	1992 £
<b>OPERATING ACTIVITIES</b>			
Net cash outflow from operating activities	5b	(984,385)	(8,995,251)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		1,138,971	816,173
Interest paid		(928,966)	(280,684)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<u>210,005</u>	<u>535,489</u>
<b>TAXATION</b>			
Corporation tax paid		—	(522,000)
Redemption/(purchase) of certificate of tax deposit		730,519	(730,519)
		<u>730,519</u>	<u>(1,252,519)</u>
<b>INVESTING ACTIVITIES</b>			
Investment in associated undertaking		(5,000)	—
Advances to associated undertaking		(216,041)	—
Purchase of tangible fixed assets		(77,509)	(27,234)
		<u>(298,550)</u>	<u>(27,234)</u>
<b>NET CASH OUTFLOW BEFORE FINANCING</b>		<u>(342,411)</u>	<u>(9,739,515)</u>
<b>FINANCING</b>			
Cash released from escrow account		6,600,000	—
Drawdown of bank loan		—	6,225,000
Repayment of bank loan		(1,975,000)	—
<b>NET CASH INFLOW FROM FINANCING</b>		<u>4,625,000</u>	<u>6,225,000</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	14	<u>4,282,589</u>	<u>(3,514,515)</u>

**1. FINANCE AND SUBSEQUENT EVENT**

As shown in note 17 to the financial statements, certain of the company's shareholders have advanced mezzanine loans to the company, which at 30 June 1993 totalled £134,470,789, including rolled up interest to that date. In December 1992, the lenders agreed to extend the maturity of the loans to 30 June 1994. In October 1993, at the company's request, the lenders extended the maturity date to 30 December 1994, in return for being granted security for their loans, this security being described in note 17. The lenders have agreed that the company may retain part of the proceeds from the future sale of properties to provide the company with working capital.

Whilst the lenders have not indicated a firm commitment to extend the repayment date of their loans beyond 30 December 1994, the directors are of the view that it should be possible to obtain such an extension, if required. Meanwhile, the company continues to make good progress in achieving lettings at and sales of its completed properties, which will assist in the servicing and repayment of the mezzanine debt.

Accordingly, the directors are of the opinion that the company will have sufficient funds to meet its liabilities as they fall due until at least December 1994 and that it is appropriate to prepare these financial statements on the going concern basis.

**2. ACCOUNTING POLICIES**

*Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

*Basis of consolidation*

The financial statements of the group include those of the company and its subsidiary undertaking for the year ended 30 June 1993. Details of the subsidiary undertaking are shown in note 10 to the financial statements.

The company has not presented its own profit and loss account as permitted by Section 230(3) of the Companies Act 1985.

*Fixed assets and depreciation*

Fixed assets are stated at cost less depreciation which is provided at rates calculated to reduce the carrying value to their residual value over their expected useful lives as follows:

Motor vehicles, furniture and equipment and fixtures and fittings	-	25% per annum on a reducing balance basis
--	---	---

*Subsidiary undertakings*

Investments in subsidiary undertakings are stated at cost, or as valued periodically by the directors based on net asset values.

*Stocks and work-in-progress*

Stocks and work-in-progress include all costs incurred in bringing property developments to their present state and are stated at cost less foreseeable losses. Costs include interest charges on borrowings and other net outgoings which are directly related to a specific development project. Profit is recognised on the disposal of each building on the legal completion of contracts.

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 2. ACCOUNTING POLICIES (continued)

#### *Deferred taxation*

Deferred taxation is provided under the liability method on all timing differences to the extent that it is probable that a liability will crystallise, calculated at the rate at which it is estimated that tax will be payable.

#### *Turnover*

Turnover comprises sales to external customers of properties, rental income from completed buildings not yet sold and income from sports and leisure facilities, all stated net of value added tax.

### 3. SEGMENTAL INFORMATION

Turnover is stated net of value added tax. Turnover and loss before taxation are wholly derived from business carried out in the United Kingdom. Turnover by destination is not materially different from turnover by source.

The turnover, all of which is derived from external customers, and loss before taxation attributable to each business segment are as follows:

	1993		1992	
	Turnover	Loss	Turnover	Loss
	£	£	£	£
Property trading – property sales	550,000	–	–	–
– rental income	9,067,162	(5,658,764)	8,262,524	(31,444,053)
Sports and leisure facilities	1,820,838	(45,451)	1,491,905	(282,943)
	<u>11,438,000</u>	<u>(5,704,215)</u>	<u>9,754,429</u>	<u>(31,726,996)</u>

The analysis of the net assets of the group by each business segment is as follows:

	1993	1992
	£	£
Property trading	36,940,170	42,598,934
Sports and leisure facilities	(1,283,683)	(1,238,232)
	<u>35,656,487</u>	<u>41,360,702</u>

### 4. OPERATING EXCEPTIONAL ITEMS

	1993	1992
	£	£
Provision against stocks and work-in-progress	1,640,000	28,511,000
Net income from a profit sharing agreement on a development project	–	(4,842,665)
Costs of rental guarantee commitments	870,306	6,439,265
	<u>2,510,306</u>	<u>30,107,600</u>

The provision against stock and work-in-progress was made to reduce the carrying value of those assets to their estimated net realisable values, reflecting current market conditions.

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 5(a) OPERATING PROFIT

	1993	1992
	£	£
This is stated after charging:		
Auditors' remuneration	12,850	15,250
Depreciation of fixed assets	51,834	44,235
	<u>64,684</u>	<u>59,485</u>

The directors of the company did not receive any remuneration for their services as directors during the year (1992 - nil),

### 5(b) RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	1993	1992
	£	£
Operating profit/(loss)	5,487,715	(22,768,693)
Depreciation charge	51,834	44,235
Movement in debtors and prepayments	5,652,421	(4,475,083)
Movement in stocks and work-in-progress	(4,966,435)	(20,111,571)
Movement in creditors and accruals	(8,849,920)	9,804,861
Provision against stocks and work-in-progress	1,640,000	28,511,000
Net cash outflow from operating activities	<u>(984,385)</u>	<u>(8,995,251)</u>

### 6. STAFF COSTS

	1993	1992
	£	£
Salaries	768,648	734,407
Social security costs	80,970	76,516
Other pension costs	12,840	11,184
	<u>862,458</u>	<u>822,107</u>

The average number of employees, excluding directors, during the year was as follows:

	1993	1992
	No.	No.
Management and administration	4	4
Sports and leisure facilities	48	46
	<u>52</u>	<u>50</u>

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 7. INTEREST PAYABLE

	1993 £	1992 £
Bank loans and overdrafts	928,966	270,534
Shareholders' loans wholly repayable within five years	13,501,230	14,666,213
	14,430,196	14,936,747
Capitalised in stocks and work-in-progress	(2,099,295)	(5,033,903)
	12,330,901	9,902,844

Interest payable for each of the two years ended 30 June 1993 on the subordinated loans shown in note 17 to the financial statements has been waived by the shareholders.

### 8. TAXATION

	1993 £	1992 £
Deferred taxation	-	(5,490,367)
Adjustment in respect of prior year - consortium relief	-	1,006,468
	-	(4,483,899)

There is no charge to corporation tax due to losses arising in the year (1992 - nil).

### 9. TANGIBLE FIXED ASSETS

#### (a) Group

	Motor vehicles £	Fixture and fittings £	Furniture and equipment £	Total £
Cost:				
At 1 July 1992	55,221	19,290	192,077	266,588
Additions	18,800	1,641	57,068	77,509
At 30 June 1993	74,021	20,931	249,145	344,097
Depreciation:				
At 1 July 1992	29,450	9,281	96,761	135,492
Charge for the year	11,142	2,914	37,778	51,834
At 30 June 1993	40,592	12,195	134,539	187,326
Net book value:				
At 30 June 1993	33,429	8,736	114,606	156,771
At 1 July 1992	25,771	10,009	95,316	131,096

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 9. TANGIBLE FIXED ASSETS (continued)

#### (b) Company

	<i>Fixture and fittings</i> £	<i>Furniture and equipment</i> £	<i>Total</i> £
Cost:			
At 1 July 1992	15,000	12,668	27,668
Additions	18,800	293	19,093
	<u>33,800</u>	<u>12,961</u>	<u>46,761</u>
Depreciation:			
At 1 July 1992	6,562	6,160	12,722
Charge for the year	6,810	1,700	8,510
At 30 June 1993	<u>13,372</u>	<u>7,860</u>	<u>21,232</u>
Net book value:			
At 30 June 1993	<u>20,428</u>	<u>5,101</u>	<u>25,529</u>
At 1 July 1992	<u>8,438</u>	<u>6,508</u>	<u>14,946</u>

### 10. INVESTMENTS

	<i>Group</i>		<i>Company</i>	
	<i>1993</i> £	<i>1992</i> £	<i>1993</i> £	<i>1992</i> £
Investment in associated undertaking	5,000	—	—	—
Investment in subsidiary undertaking	—	—	2	2
	<u>5,000</u>	<u>—</u>	<u>2</u>	<u>2</u>

The group has a 50% share in Stockley Park Golf Limited ("SPGL") whose issued share capital is comprised of 10,000 ordinary shares of £1 each. SPGL manages the golf course at Stockley Park.

The company owns 100% of the issued share capital of Stockley Park Arena Limited, a company registered in England, which operates the sports and leisure facilities at Stockley Park Arena.

### 11. STOCKS AND WORK-IN-PROGRESS

	<i>Group</i>		<i>Company</i>	
	<i>1993</i> £	<i>1992</i> £	<i>1993</i> £	<i>1992</i> £
Raw materials and goods for resale	18,046	21,462	—	—
Development work-in-progress	78,091,285	69,259,722	78,091,285	69,259,722
Completed properties for resale	139,490,000	142,892,417	139,490,000	142,892,417
	<u>217,599,331</u>	<u>212,173,601</u>	<u>217,581,285</u>	<u>212,152,139</u>

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 11. STOCKS AND WORK-IN-PROGRESS (continued)

The replacement cost of stocks and work-in-progress is not materially different from the book value shown in these financial statements. Capitalised interest included in the production cost of stocks and work-in-progress of the company and the group is as follows:

	1992 £
At 1 July 1992	61,173,136
Interest capitalised during the year	2,099,295
At 30 June 1993	<u>63,272,431</u>

### 12. DEBTORS

(a) Due within one year:

	Group		Company	
	1993 £	1992 £	1993 £	1992 £
Trade debtors	568,505	6,229,438	501,403	6,051,343
Other debtors	21,964	1,210	-	-
Corporation tax recoverable	522,000	522,000	522,000	522,000
Prepayments and accrued income	142,585	154,827	65,804	236,189
Due from associated undertaking	216,041	-	121,041	-
	<u>1,471,095</u>	<u>6,907,475</u>	<u>1,210,248</u>	<u>6,809,532</u>

During the year, a loan of £5,000 was made by the group to C A Rouse, an officer of the company. This loan was made free of interest and is repayable over 3 years. At 30 June 1993, £4,900 of the loan remained outstanding and is included within other debtors above.

(b) Due after more than one year:

	Group		Company	
	1993 £	1992 £	1993 £	1992 £
Due from subsidiary undertaking	-	-	1,300,000	1,175,000

Although the amount receivable from the subsidiary undertaking is due on demand, the financial position of that company is likely to preclude the settlement of the debt for several years. Accordingly, this amount has been classified as due after more than one year.

### 13. SHORT-TERM INVESTMENT

This represented the cost of a certificate of tax deposit, which was redeemed during the year.



# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 14. CASH AT BANK AND IN HAND

An analysis of the change in the amount of cash and cash equivalents as shown in the balance sheet is set out below:

	<i>Group</i>		<i>Company</i>	
	<i>1993</i>	<i>1992</i>	<i>1993</i>	<i>1992</i>
	£	£	£	£
Cash at bank and in hand	4,328,710	1,088,303	4,219,560	929,884
Held in third party escrow account	—	6,600,000	—	6,600,000
	<u>4,328,710</u>	<u>7,688,303</u>	<u>4,219,560</u>	<u>7,529,884</u>
		<i>1993</i>	<i>1992</i>	<i>Change in</i>
		£	£	year
Cash at bank and in hand		4,328,710	1,088,303	3,240,407
Bank overdraft		(1,397,795)	(2,439,977)	1,042,182
		<u>2,930,915</u>	<u>(1,351,674)</u>	<u>4,282,589</u>

The amount held in the third party escrow account was released to the company during the year, following the fulfilment of obligations to the London Borough of Hillingdon.

### 15. CREDITORS: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>1993</i>	<i>1992</i>	<i>1993</i>	<i>1992</i>
	£	£	£	£
Bank loan	4,250,000	—	4,250,000	—
Bank overdraft	1,397,795	2,439,977	1,257,750	2,439,977
Trade creditors	1,368,501	660,936	1,219,523	545,292
Amounts due to subsidiary undertaking	—	—	218,800	224,392
Consortium relief payable	1,006,468	1,006,468	1,006,468	1,006,468
Other taxes and social security costs	22,361	64,286	3,806	3,300
Accruals and deferred income	6,010,390	15,525,950	5,591,200	15,020,982
	<u>14,055,515</u>	<u>19,697,617</u>	<u>13,547,547</u>	<u>19,240,411</u>

The bank loan and bank overdraft are secured by fixed charges over the properties held by the company.

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 16. CREDITORS: amounts falling due after more than one year

	<i>Group and company</i>	
	<i>1993</i>	<i>1992</i>
	<i>£</i>	<i>£</i>
Bank loan	—	6,225,000
Shareholders' loans (note 17)	173,848,905	160,347,675
	<u>173,848,905</u>	<u>166,572,675</u>

The bank loan was repaid in September 1993 and has therefore been classified as falling due within one year at 30 June 1993.

An analysis of the change in the amount of bank and other loans is set out below:

	<i>Bank loans</i>	<i>Shareholders' loans</i>
	<i>£</i>	<i>£</i>
At 1 July 1992	6,225,000	160,347,675
Repayments	(1,975,000)	—
Reclassified within current liabilities	(4,250,000)	—
Interest rolled-up	—	13,501,230
At 30 June 1993	<u>—</u>	<u>173,848,905</u>

### 17. SHAREHOLDERS' LOANS

	<i>Group and company</i>	
	<i>1993</i>	<i>1992</i>
	<i>£</i>	<i>£</i>
Wholly repayable within five years:		
Mezzanine loans	134,470,789	120,969,559
Not wholly repayable within five years:		
Subordinated loans wholly repayable on 31 December 1998	39,378,116	39,378,116
	<u>173,848,905</u>	<u>160,347,675</u>

Both the mezzanine and subordinated loans carry interest at rates linked to LIBOR. As described in note 1 to the financial statements, agreements were signed in October 1993 to extend the repayment of the mezzanine loans to 30 December 1994. These loans have therefore been classified as falling due after more than one year in these financial statements. As part of these arrangements, the company provided security to the lenders in the form of fixed charges over certain of its properties, land and other assets, together with floating charges over all of its assets and business.

# Stockley Park Consortium Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 June 1993

### 18. DEFERRED TAXATION

The potential deferred tax assets which have not been recognised in these financial statements are as follows:

	<i>Group</i>		<i>Company</i>	
	<i>1993</i>	<i>1992</i>	<i>1993</i>	<i>1992</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Differences in recognising revenue and expense items in other periods for tax purposes	(4,372,880)	2,638,066	(4,372,880)	2,638,066
Tax losses	(5,612,071)	(7,827,798)	(5,601,255)	(7,812,518)
	<u>(9,984,951)</u>	<u>(5,189,732)</u>	<u>(9,974,135)</u>	<u>(5,174,452)</u>

### 19. SHARE CAPITAL

	<i>1993</i>	<i>Authorised</i>	<i>Allotted, called up and fully paid</i>	
	<i>No.</i>	<i>1992</i>	<i>1993</i>	<i>1992</i>
		<i>No.</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	2,018,880	2,018,880	12,000	12,000
Redeemable preference shares of £1 each	57,993,120	57,993,120	57,993,120	57,993,120
	<u>60,012,000</u>	<u>60,012,000</u>	<u>58,005,120</u>	<u>58,005,120</u>

The preference shares are redeemable, at par, by the company once all obligations under the bank and mezzanine loans have been discharged, or otherwise on 31 December 1998, at the option of either the shareholders or the company.

### 20. PROFIT AND LOSS ACCOUNT

	<i>Group</i>	<i>Company</i>
	<i>£</i>	<i>£</i>
At 1 July 1992	(16,644,418)	(15,406,184)
Loss for the year	(5,704,215)	(5,658,764)
At 30 June 1993	<u>(22,348,633)</u>	<u>(21,064,948)</u>

### 21. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Stanhope Kajima PLC, a company registered in England. This is the largest group of which the company is a member and for which group financial statements are provided.

Copies of the group financial statements are available from the Company Secretary, Stanhope Kajima PLC, Lansdowne House, Berkeley Square, London W1X 6BP.