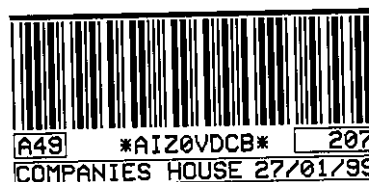


**LUDGATE INVESTMENT HOLDINGS LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**  
for the year ended  
31st MARCH 1998

Registered number: 2261712



# **LUDGATE INVESTMENT HOLDINGS LIMITED**

## **DIRECTORS' REPORT for the year ended 31st March 1998**

The directors submit their report and accounts for the year ended 31st March 1998.

### **Principal Activity**

The principal activity of the Company is the holding of investments, its subsidiary companies are engaged in property investment and development. The company did not trade during the year.

### **Review of Business and Prospects**

The Company is a subsidiary of Broadgate Properties Plc. The activities of the Broadgate Properties Plc group are reviewed in the Directors' Report of that company.

### **Directors and their Interests in Share and Loan Capital**

The directors who served during the year were:

J.H. Ritblat  
J.H. Weston Smith  
S. Adam  
D.C. Berry  
S.L. Kalman  
N.S.J. Ritblat

No director held a beneficial interest in the share capital of the Company. The above directors are also directors of The British Land Company PLC and, as such, their interests in the share and loan capital of that company are shown in its remuneration committee's report.

### **Statement of Directors' Responsibilities**

The directors are required to prepare financial statements which comply with the Companies Act 1985, on a going concern basis (unless inappropriate) and 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 loss for that period. In preparing these financial statements suitable accounting policies consistently applied and supported by reasonable and prudent judgements and estimates, and applicable accounting standards have been followed.

The directors are also responsible for ensuring that proper and adequate accounting records have been maintained and that reasonable procedures have been followed for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

**LUDGATE INVESTMENT HOLDINGS LIMITED**

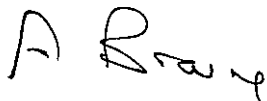
**DIRECTORS' REPORT**  
**for the year ended 31st March 1998**

**Auditors**

Binder Hamlyn having become part of the Andersen Worldwide Organisation in 1994, have resigned since the last Annual General Meeting in order that Arthur Andersen could be appointed. Resolutions concerning Arthur Andersen's reappointment will be proposed at the Annual General Meeting.

This report was approved by the board on 8th June 1998.

**A. Braine**  
Secretary



10 Cornwall Terrace  
Regent's Park  
London NW1 4QP

**LUDGATE INVESTMENT HOLDINGS LIMITED**

**AUDITORS' REPORT TO THE SHAREHOLDERS OF**  
**LUDGATE INVESTMENT HOLDINGS LIMITED**

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

**Respective responsibilities of Directors and Auditors**

As described on page 1 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 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 affairs of the Company at 31st March 1998 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen**  
Chartered Accountants  
Registered Auditors  
1 Surrey Street, London, WC2R 2PS

8th June 1998

**LUDGATE INVESTMENT HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31st March 1998**

	<u>1998</u> <u>£'000</u>	<u>1997</u> <u>£'000</u>
Provision made against interest in subsidiary companies		(1,585)
	<hr/>	<hr/>
Loss on ordinary activities before and after taxation transferred from reserves		(1585)
	<hr/>	<hr/>

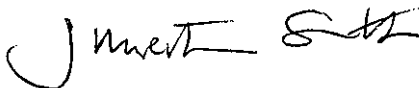
The Company's results all derive from discontinued operations.

There were no recognised gains or losses other than the above results for the two financial years.

LUDGATE INVESTMENT HOLDINGS LIMITED

**BALANCE SHEET**  
**as at 31st March 1998**

	<u>Note</u>	<u>1998</u> <u>£'000</u>	<u>1997</u> <u>£'000</u>
<b>Current Assets</b>			
Amount owed by group company current account		-	2,487
<b>Creditors due within one year</b>			
Amounts owed to group companies		(1,612)	(4,099)
<b>Net Liabilities</b>		<u>(1,612)</u>	<u>(1,612)</u>
<b>Capital and Reserves</b>			
Called up share capital	4	13	13
Capital reserves		(1,585)	(1,585)
Profit and loss account		(40)	(40)
<b>Shareholders' Funds</b>	5	<u>(1,612)</u>	<u>(1,612)</u>



J.H. Weston Smith



S. Adam

Directors

Approved by the board on 8th June 1998

**LUDGATE INVESTMENT HOLDINGS LIMITED**

**NOTES TO THE ACCOUNTS  
for the year ended 31st March 1998**

**1. Accounting policies**

**Accounting basis**

The accounts are prepared in accordance with applicable Accounting Standards and under the historical cost convention and as a going concern on the basis that the holding company will not demand repayment of amounts owed to it within twelve months of the date of signing these accounts.

Investments in subsidiary companies in the Company's balance sheet are stated at cost less amounts written off. Consolidated accounts have not been prepared since the company is a wholly owned subsidiary of another company incorporated in the United Kingdom.

**2. Investments in subsidiary companies**

**Shares in  
subsidiaries  
£'000**

Cost of shares less amount written off  
1st April 1997 and 31st March 1998

The principal subsidiary companies at 31st March 1998, all of which are engaged in property investment, development and management in the United Kingdom, are as follows:-

	<b><u>Percentage</u> <u>shareholding</u> <u>held by the</u> <u>company</u></b>
Ludgate Services Limited	100%
One Hundred Ludgate Hill	100%
Ludgate Phase 5 Limited	100%
Ludgate Management Limited	100%
Ludgate Finance Limited	100%

**LUDGATE INVESTMENT HOLDINGS LIMITED**

**NOTES TO THE ACCOUNTS  
for the year ended 31st March 1998**

**3. Share Capital**

	<u>1998</u> <u>£'000</u>	<u>1997</u> <u>£'000</u>
<b>Authorised</b>		
50,000 ordinary shares of £1 each	50	50
	<u>          </u>	<u>          </u>
<b>Allotted, called up and partly paid</b>		
50,000 ordinary shares of £1 each, 25 pence paid	13	13
	<u>          </u>	<u>          </u>

**4. Contingent Liabilities**

The Company is jointly and severally liable with Broadgate Properties Plc and fellow subsidiary for all monies falling due under the group VAT registration.

**5. Holding Companies**

The Company is a subsidiary of Broadgate Properties Plc.

The ultimate holding company is The British Land Company PLC, which is registered in England and Wales. Group accounts for The British Land Company PLC and accounts for Broadgate Properties Plc are available on request from 10 Cornwall Terrace, Regent's Park, London, NW1 4QP.