

ELVINGTON PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31ST DECEMBER, 1991

REGISTERED NUMBER 2287434

KPMG PEAT MARWICK
1 Puddle Dock, Blackfriars, London EC4V 3PD.

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ELVINGTON PROPERTIES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements of the company for the year ended 31st December, 1991.

REVIEW OF ACTIVITIES

The company, whose shares are held 80% by Clayform Holdings PLC and 20% by Common Lane Properties Limited, owns a site of approximately 130 acres known as Shenley Common Farm, Waddon, Milton Keynes, Buckinghamshire. Negotiations over planning and infrastructure proposals have continued during the year with Milton Keynes Development Corporation.

DIVIDENDS

The directors do not recommend the payment of a dividend (1990:£Nil).

DIRECTORS AND THEIR INTERESTS

The following directors held office during the year:

Mr. B.R. Burlington	(resigned 1st April, 1991)
Mr. B.S.P. Dowling	
Mr. R.J. Lane Fox	
Mr. R.T.E. Ware	(appointed 1st April, 1991)

No director had any interest in the shares of the company during the year. The interests of Mr. B.S.P. Dowling and Mr. R.T.E. Ware, the two "Clayform" directors in office at the year end, in the 5p ordinary shares and warrants of Clayform Properties PLC, the ultimate holding company, are disclosed in the 1991 Annual Report and Financial Statements of that company. Mr. R.J. Lane Fox had no interest in the shares or warrants of Clayform Properties PLC during the year.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution for the reappointment of KPMG Peat Marwick as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

Riku Goyt

Secretary

8th April, 1992

KPMG Peat

REPORT OF THE AUDITORS TO THE MEMBERS OF
ELVINGTON PROPERTIES LIMITED

We have audited the financial statements on pages 3 to 5 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December, 1991 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

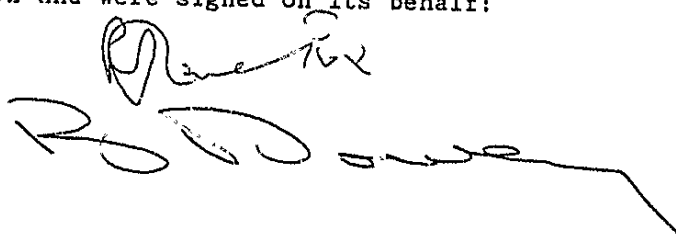
KPMG Peat Marwick
Chartered Accountants
Registered Auditor

LONDON
8th April, 1992

ELYINGTON PROPERTIES LIMITEDBALANCE SHEET AT 31ST DECEMBER, 1991

	<u>Note</u>	<u>1991</u> <u>£</u>	<u>1990</u> <u>£</u>
CURRENT ASSETS			
Stocks and developments in progress	4	6,542,682	6,594,900
Debtors	5	494	-
		<hr/>	<hr/>
		6,543,176	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(1,249,980)	(1,250,000)
		<hr/>	<hr/>
NET CURRENT ASSETS		5,293,196	5,344,900
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	7	(5,293,096)	(5,344,800)
		<hr/>	<hr/>
NET ASSETS		100	100
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 8th April, 1992 and were signed on its behalf:



Directors

The notes on pages 4 and 5 form part of these financial statements.

ELVINGTON PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Stocks and developments in progress

Amounts recoverable on long-term developments represent the excess of the amounts taken to turnover in respect of development properties over payments received on account. Such payments which have been received and exceed amounts recoverable are included in creditors.

No profit on long-term developments is recognised until the development is substantially complete and profit is recognised only where the outcome of the development can be determined with reasonable certainty. Full provision is made for foreseeable losses as soon as such losses are identified. Developments in progress are valued at the lower of cost and estimated net realisable value.

2. PROFIT AND LOSS ACCOUNT

During the year all expenditure was directly related to the company's development property and has therefore been capitalised in developments in progress.

3. DIRECTORS' REMUNERATION AND AUDITORS' REMUNERATION

None of the directors received any emoluments from the company during the year ended 31st December, 1991 (1990: £Nil).

The auditors' remuneration for the year ended 31st December, 1991 has been borne by Clayform Properties PLC.

ELVINGTON PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4. STOCKS AND DEVELOPMENTS IN PROGRESS

	<u>1991</u> £	<u>1990</u> £
Developments in progress	6,542,682	6,594,900

5. DEBTORS

	<u>1991</u> £	<u>1990</u> £
Other debtors - corporation tax recoverable	494	-

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1991</u> £	<u>1990</u> £
Amounts owed to associated undertakings	1,249,980	1,250,000

An amount of £1,250,000 is secured by way of a legal charge over the property at Shenley Common Farm, Milton Keynes.

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1991</u> £	<u>1990</u> £
Amounts owed to group undertakings	5,293,096	5,344,800

8. CALLED UP SHARE CAPITAL

	<u>1991</u> £	<u>1990</u> £
Authorised: 100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid: 100 ordinary shares of £1 each	100	100

9. ULTIMATE HOLDING COMPANY

The immediate holding company is Clayform Holdings PLC, a company registered in England and Wales. The ultimate holding company is Clayform Properties PLC also registered in England and Wales. Copies of the Report and Financial Statements of Clayform Properties PLC and Clayform Holdings PLC can be obtained from 24 Bruton Street, London W1X 7DA.