

45

Company Registration No: 2306348

**TARMAC CLAYFORM LIMITED**

**Report and Financial Statements**

**31 December 1997**



**REPORT AND FINANCIAL STATEMENTS 1997**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

T H Mason  
C M H Kemp  
M H Marx  
N S Corderey

**SECRETARY**

S A Lanes FCA

**REGISTERED OFFICE**

Portland House  
Stag Place  
London SW1E 5DS

**BANKERS**

Barclays Bank PLC  
50 Pall Mall  
London SW1A 1QB

**SOLICITORS**

Linklaters & Paines  
1 Silk Street  
London EC2Y 8HQ

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Hill House  
1 Little New Street  
London EC4A 3TR

## **DIRECTORS' REPORT**

The directors present their annual report and audited financial statements for the year ended 31 December 1997.

## **PRINCIPAL ACTIVITY AND REVIEW OF DEVELOPMENTS**

The principal activity of the company at present and for the foreseeable future is that of property development. The Company, which is a joint venture between Development Securities PLC and Tarmac Properties (JMA) Limited (a Tarmac PLC subsidiary) owns a site at Stokenchurch, Buckinghamshire. The company has continued to incur interest and other costs in respect of the development that have been written off to the profit and loss account.

## **RESULTS AND DIVIDENDS**

The results for the year are set out in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (1996: £nil).

## **DIRECTORS AND DIRECTORS' INTERESTS**

The directors who held office and served during the year were as follows:

T H Mason  
C M H Kemp  
M H Marx  
A E Bodie (resigned 21 May 1997)  
N S Corderey (appointed 21 May 1997)

None of the directors had any interests in the shares of the company during the year.

## **AUDITORS**

A resolution concerning the reappointment of Deloitte & Touche is to be proposed at the forthcoming Annual General Meeting.

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



S A Lanes  
Secretary

29 October 1998

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 as at the end of the financial year and of its profit or loss for that year. 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company 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 1985. 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.

**AUDITORS' REPORT TO THE MEMBERS OF TARMAC CLAYFORM LIMITED**

We have audited the financial statements on pages 5 to 8 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3 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 relevant 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 as at 31 December 1997 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
1 Little New Street  
Hill House  
London EC4A 3TR

29th October 1998

# TARMAC CLAYFORM LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 1997

	Note	1997 £	1996 £
Administrative expenses		<u>(6,948)</u>	<u>(2,726)</u>
<b>OPERATING LOSS</b>	2	(6,948)	(2,726)
<b>INTEREST PAYABLE</b>	3	<u>(206,761)</u>	<u>(194,267)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION</b>	2	(213,709)	(196,993)
<b>PROFIT AND LOSS ACCOUNT BROUGHT FORWARD</b>		<u>(7,411,377)</u>	<u>(7,214,384)</u>
<b>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</b>		<u><u>£(7,625,086)</u></u>	<u><u>£(7,411,377)</u></u>

All operating losses derive from continuing operations.

There are no recognised gains and losses or movements in shareholders' funds during the current and preceding financial year other than as stated in the profit and loss account.

# TARMAC CLAYFORM LIMITED

## BALANCE SHEET 31 December 1997

	Notes	1997 £	1996 £
<b>CURRENT ASSETS</b>			
Developments in progress	1	1,500,000	1,500,000
Debtors	4	2,860	852
Cash at bank and in hand		<u>1,392</u>	<u>332</u>
		1,504,252	1,501,184
<b>CREDITORS: amounts falling due within one year</b>			
	5	<u>(9,129,238)</u>	<u>(8,912,461)</u>
<b>NET CURRENT LIABILITIES</b>		<u>£(7,624,986)</u>	<u>£(7,411,277)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	100	100
Profit and loss account		<u>(7,625,086)</u>	<u>(7,411,377)</u>
<b>EQUITY SHAREHOLDERS' DEFICIT</b>		<u>£(7,624,986)</u>	<u>£(7,411,277)</u>

These financial statements were approved by the Board of Directors on 29 October 1998.

Signed on behalf of the Board of Directors

  
M H Marx  
Director

  
C M H Kemp  
Director

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1997**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention on a going concern basis, due to the intention of Development Securities PLC and Tarmac Properties (JMA) Limited to continue to support the company such that it can meet its liabilities as they fall due for the next twelve months.

**Developments in progress**

Developments in progress are valued at the lower of cost and estimated net realisable value.

Profit on long-term developments 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.

**2 LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION**

None of the directors received any emoluments from the company during the year (1996: £nil).

The auditors' remuneration for the current and preceding financial year has been borne by Development Securities Estates PLC.

The company does not have any employees (1996: nil).

There is no tax credit on current year losses as such losses are surrendered to associated companies for nil consideration.

**3 INTEREST PAYABLE**

	1997 £	1996 £
Bank loan interest	205,848	193,467
Bank overdraft interest	<u>913</u>	<u>800</u>
	<u><u>206,761</u></u>	<u><u>194,267</u></u>

**4 DEBTORS**

	1997 £	1996 £
Tax recoverable	134	774
Other debtors	<u>2,726</u>	<u>78</u>
	<u><u>2,860</u></u>	<u><u>852</u></u>



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1997**

**5 CREDITORS: amounts falling due within one year**

	1997 £	1996 £
Bank loan and overdraft	2,500,000	2,500,000
Amounts owed to Development Securities PLC	4,172,526	4,161,596
Amounts owed to Tarmac Properties (JMA) Limited	2,440,712	2,234,865
Accruals	<u>16,000</u>	<u>16,000</u>
	<u><u>9,129,238</u></u>	<u><u>8,912,461</u></u>

The bank loan is secured on a proportion of the property owned by the company and is repaid and drawn down monthly. Interest is incurred and paid monthly at a variable rate linked to LIBOR.

**6 CALLED UP SHARE CAPITAL**

	1997 £	1996 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

**7 RELATED PARTY DISCLOSURE**

The company's share capital is held equally by Development Securities PLC and Tarmac Properties (JMA) Limited. Both companies are incorporated in the United Kingdom and registered in England and Wales. In accordance with Financial Reporting Standard No. 8, "Related Party Disclosures," the balances due to or from these related parties are disclosed in the notes to the accounts.