

COMPANY NUMBER 2460488

MAINSTREAM FORTY-SEVEN LIMITED

REPORT AND ACCOUNTS

PERIOD FROM 1 APRIL TO 31 DECEMBER 1991



MAINSTREAM FORTY-SEVEN LIMITED

DIRECTORS

S. Cooper
D.K. Evans
D. Fitzgerald
M.E. Jones
D.W.J. Patience
P.C. Roberts

SECRETARY AND REGISTERED OFFICE

J.M. Sadler
Rivermill House
152 Grosvenor Road
London SW1V 3JL

JOINT AUDITORS

Cape & Dalgleish
Chartered Accountants
Registered Auditor
401 St John Street
London EC1V 4LH

Price Waterhouse
Chartered Accountants
Registered Auditor
Southwark Towers
32 London Bridge Street
London SE1 9SY

BANKERS

National Westminster Bank Plc
Fountain House
Burslem
Stoke-on-Trent ST6 3QA

SOLICITORS

Wragge & Co
Bank House
8 Cherry Street
Birmingham B2 5JY

Needham & James
Swan House
37-39 High Holborn
London WC1V 6AA

INDEX

	Page
Directors' report	1
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the accounts	6

DIRECTORS' REPORT

The directors present their report and the accounts of the company for the period ended 31 December 1991.

On 28 August 1991 the company changed its accounting reference date to 31 December.

PRINCIPAL ACTIVITIES

The company's principal activities remain the same and are that of property development and investment.

The results for the period are set out in the profit and loss account on page 4. The loss for the period of £20,688 will be added to the deficit brought forward.

DIVIDENDS

No distributable profits arise in the period and so the directors are unable to recommend the payment of any dividend, including the fixed cumulative preference dividend of £100 per annum payable to the holders of the 'A' ordinary shares in accordance with the Articles of Association.

This dividend will be accumulated and paid in preference on the first distribution of profits.

DIRECTORS

The directors who served in office during the period are set out in the table below:

	<u>Date of Appointment</u>	<u>Date of Resignation</u>
S. Cooper	-	-
D.K. Evans	-	-
B.G. Griffiths	20 August 1991	-
M.E. Jones	-	-
D.W.J. Patience	-	-
P.C. Roberts	-	-
T.P. Starbuck	-	20 August 1991

B.G. Griffiths resigned as a director on 19 March 1992. D. Fitzgerald was appointed as a director on 19 March 1992.

MAINSTREAM FORTY-SEVEN LIMITED

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS

None of the directors was interested in the shares of the company or any other subsidiary of the ultimate parent company, British Gas plc, at their date of appointment or at the beginning and end of the period.

With the exception of those directors listed in the table below, none of the directors had any interest in the ordinary 25p shares of the ultimate parent company.

	<u>BENEFICIAL HOLDINGS</u>		<u>SAVINGS RELATED SHARE OPTION SCHEME</u>	
	<u>31 March 1991</u>	<u>31 December 1991</u>	<u>31 March 1991</u>	<u>31 December 1991</u>
D.K. Evans	2,228	2,943	7,690	11,477
D.W.J. Patience	2,495	3,408	-	-
P.C. Roberts	1,650	2,226	-	-

None of the directors exercised share options during the year. All options were granted under the terms of the ultimate parent company's Savings Related Share Option Scheme, details of which are given in that company's annual report and accounts.

DIRECTORS' INSURANCE

The ultimate parent company has maintained insurance premiums to cover all directors and other officers against liabilities in relation to the company.

AUDITORS

A resolution in accordance with Section 384(1) Companies Act 1985 for the re-appointment of Cape & Dalgleish and Price Waterhouse as joint auditors of the company and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

Approved and signed on behalf of the Board of Directors
on 14 AUGUST 1992

Patience

DONALD WILLIAM JOHN PATIENCE - DIRECTOR

AUDITORS' REPORT TO THE MEMBERS OF
MAINSTREAM FORTY-SEVEN LIMITED

We have audited the accounts on pages 4 to 8 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the company's affairs at 31 December 1991 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



CAPE & DALGLEISH
Chartered Accountants
Registered Auditor
401 St John Street
London EC1V 4LH

14 August 1992



PRICE WATERHOUSE
Chartered Accountants
Registered Auditor
Southwark Towers
32 London Bridge Street
London SE1 9SY

14 August 1992

MAINSTREAM FORTY-SEVEN LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 1991

		Nine months ended 31 December 1991 £	Period from 17 January 1990 to 31 March 1991 £
	<u>Note</u>		
Interest receivable and similar income		2,082	-
Administrative expenses		(22,770)	(57,379)
Loss on ordinary activities before taxation	2	(20,688)	(57,379)
Taxation	3	-	-
Loss on ordinary activities after taxation		(20,688)	(57,379)
Dividend	4	-	-
Loss for the period	10	(20,688)	(57,379)

MAINSTREAM FORTY-SEVEN LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 1991

1. ACCOUNTING POLICIES

The following policies, which have been consistently applied, are considered material in relation to the company's accounts.

These accounts have been prepared in accordance with applicable UK Accounting Standards.

a) Basis of accounting

The accounts have been prepared under the historical cost accounting rules as set out in Schedule 4 Companies Act 1985.

b) Stocks

Land held for development and work in progress are stated at the lower of cost and net realisable value. Cost includes directly attributable fees, expenses and finance charges. Net realisable value is based on estimated selling price less all further costs expected to be incurred to completion and disposal.

Period ended 31 December 1991 £	Period ended 31 March 1991 £
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2. LOSS ON ORDINARY ACTIVITIES
BEFORE TAXATION

a) This is stated after charging:-

Operating lease rentals - plant and machinery
Auditors' remuneration

-	55
2,990	1,000
=====	=====

b) The only employees of the company during the period were the directors, none of whom received any remuneration from the company for their services.

3. TAXATION

There is no liability to corporation tax due to the availability of losses arising during the period.

4. DIVIDEND

No distributable profits arose in the period and so the directors are unable to recommend the payment of any dividend.

The fixed cumulative preference dividend of £100 per annum payable to the holders of the 'A' ordinary shares will be accumulated and paid in preference on the first distribution of profits.

31 December 1991 £	31 March 1991 £
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5. STOCKS

Land held for development and
work in progress

3,303,746	374,034
=====	=====

Work in progress includes £75,158 (31 March 1991: £22,500) of interest and fees capitalised during the period.

MAINSTREAM FORTY-SEVEN LIMITED

7

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 1991

	31 December 1991 £	31 March 1991 £
6. DEBTORS		
Other debtors	164,894	3,510
	=====	=====
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	66,795	52,506
Amounts owed to group undertakings	710,300	151,925
Amounts owed to related undertakings	370,167	163,099
Accruals and deferred income	3,990	67,247
	-----	-----
	1,151,252	434,777
	=====	=====
8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Amounts owed to group undertakings	1,042,750	-
Bank loan	1,353,152	-
	-----	-----
	2,395,902	-
	=====	=====

The bank loan with National Mortgage Bank PLC is secured by a fixed charge on the freehold land and buildings held for development and by a fixed and floating charge over all of the other assets of the company. The loan is repayable in June 1993 or on the earlier disposal of the freehold land and buildings. Interest is charged at 2.75% above three month LIBOR.

The amounts owed to group undertakings are secured by a fixed charge on the freehold land and buildings held for development. The charge on the freehold land and buildings held by National Mortgage Bank PLC has priority up to an amount not exceeding £3,000,000 plus interest costs and other usual charges.

9. SHARE CAPITAL

Authorised, allotted and fully paid		
500 'A' ordinary shares of £1 each	500	500
500 'B' ordinary shares of £1 each	500	500
1 'C' ordinary share of £1	1	1
	-----	-----
	1,001	1,001
	=====	=====

	£
10. PROFIT AND LOSS	
At 1 April 1991	(57,379)
Loss for the period	(20,688)

At 31 December 1991	(78,067)
	=====

MAINSTREAM FORTY-SEVEN LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 1991

11. ULTIMATE HOLDING COMPANY

The parent undertaking of the smallest and largest group to consolidate the results of the company is British Gas plc, a company registered in England. Copies of the group accounts of British Gas plc may be obtained from British Gas plc, Shareholder Enquiry Office, 152 Grosvenor Road, London SW1V 3JL.

The company has net liabilities at 31 December 1991 but the ultimate holding company and BHH Group PLC, have undertaken to provide financial support to the company should it become necessary, in order to enable it to continue to trade and to meet its liabilities as they fall due.