

Registered no: 2563463

Leyton Properties Limited
Annual report
for the year ended 5 April 2000



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**Directors' report
for the year ended 5 April 2000**

The directors present their report and the audited financial statements for the year ended 5 April 2000.

Principal activities

The principal activities of the company continue to be the investment in and management and letting of residential property.

However, following the transfer of the net assets and property management activities on 6 April 2000 (as detailed in note 13 to the accounts) the company became dormant.

Review of business and future developments

The profit for the year is set out in the profit and loss account on page 5.

Both the level of business and the year end financial position were satisfactory.

On 17 February 2000 BPT plc, one of the company's joint venture partners purchased all of the share capital owned by the other joint venture party and the company became a wholly owned subsidiary of BPT plc. The company's investment properties were then transferred to property stock.

Dividends

A dividend of £2,000,000 has been paid in respect of the year ended 5 April 2000 (1999: £Nil).

Year 2000

The company and those with whom it had commercial relationships did not experience any problems with computer hardware and software or interruptions to business as a result of the Year 2000 issue.

Directors

The directors of the company during the year were:

Mr A N Batty
Mr N A Denby
Mr D G Baker (resigned 5 August 1999)
Mr P W Collins

In accordance with the Articles of Association the directors are not required to retire by rotation.

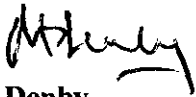
Directors' interests

According to the register required to be kept under Section 325 of the Companies Act 1985, none of the directors of the company at 5 April 2000 had any interest in the shares of the company either at the beginning or end of the year ended on that date. As permitted by statutory instrument the register does not include details of shareholdings of the directors who are also directors of the parent undertaking.

Auditors

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

By order of the board



N A Denby
Secretary
Jardine House
3 Commercial Street
Bradford
13 June 2000

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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 profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 5 April 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board



N A Denby

Secretary

13 June 2000

**Report of the auditors to the members of
Leyton Properties Limited**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

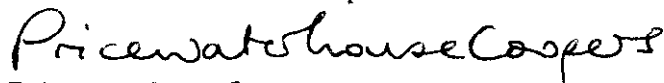
Basis of audit opinion

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 the company's affairs at 5 April 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Leeds
13 June 2000

**Profit and loss account
for the year ended 5 April 2000**

	Notes	2000 £	1999 £
Turnover	2	<u>196,063</u>	<u>194,906</u>
Operating profit	2	<u>130,519</u>	<u>159,225</u>
Profit on sale of investment properties		<u>207,346</u>	<u>51,757</u>
Profit on ordinary activities before interest		<u>337,865</u>	<u>210,982</u>
Interest receivable		7,338	5,671
Interest payable		(363)	-
Profit on ordinary activities before taxation		<u>344,840</u>	<u>216,653</u>
Tax on profit on ordinary activities	6	<u>(103,452)</u>	<u>(20,634)</u>
Profit for the financial year	11	<u>241,388</u>	<u>196,019</u>
Dividends paid		<u>(2,000,000)</u>	<u>-</u>
(Loss sustained)/retained profit for the year		<u>(1,758,612)</u>	<u>196,019</u>

All items dealt with in arriving at profit on ordinary activities before taxation relate to discontinued operations.

Statement of total recognised gains and losses

	Notes	2000 £	1999 £
Profit for the financial year		241,388	196,019
Unrealised surplus on revaluation of investment properties		-	447,800
Elimination of revaluation surplus on transfer to property stock	11	(939,169)	-
Taxation on realisation of property revaluation gains of previous years	6	(39,181)	(12,401)
		<u>(978,350)</u>	<u>435,399</u>
Total gains and losses recognised since last annual report		<u>(736,962)</u>	<u>631,418</u>

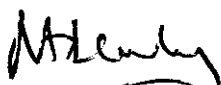
Note of historical cost profits and losses

	2000 £	1999 £
Reported profit on ordinary activities before taxation	344,840	216,653
Realisation of property revaluation gains of previous years	130,604	59,052
Historical cost profit on ordinary activities before taxation	<u>475,244</u>	<u>275,705</u>
Historical cost (loss sustained)/retained profit for the year after taxation and dividends	<u>(1,667,189)</u>	<u>242,670</u>

**Balance sheet
at 5 April 2000**

	Notes	2000 £	1999 £
Fixed assets			
Tangible fixed assets	7	-	3,160,600
Current assets			
Property stock		1,915,431	-
Debtors	8	6,818	10,544
Cash at bank and in hand		200	201
		1,922,449	10,745
Creditors: amounts falling due within one year	9	(1,810,459)	(322,393)
Net current assets/(liabilities)		111,990	(311,648)
Net assets		111,990	2,848,952
Capital and reserves			
Called up share capital	10	100	100
Revaluation reserve	11	-	1,069,773
Profit and loss account	11	111,890	1,779,079
Equity shareholders' funds	12	111,990	2,848,952

The financial statements on pages 5 to 12 were approved by the board of directors on 13 June 2000 and were signed on its behalf by:



N A Denby
Director

Notes to the financial statements for the year ended 5 April 2000

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. However, compliance with Statement of Standard Accounting Practice No 19 'Accounting for investment properties' ("SSAP19") requires departure from the requirements of the Companies Act 1985 relating to depreciation. A summary of the more important accounting policies and an explanation of the departure relating to investment properties is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

Financial Reporting Standard No 1

The company is a wholly owned subsidiary of BPT plc and the cash flows of the company are included in the consolidated cash flow statement of BPT plc.

Consequently, the company is exempt under the terms of FRS 1 from publishing a cash flow statement.

Investment properties

In accordance with SSAP 19:

- (a) investment properties are revalued annually and the aggregate surplus or deficit is transferred to the revaluation reserve; and
- (b) no depreciation is provided in respect of freehold investment properties.

The requirement of the Companies Act 1985 is to depreciate all properties but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because of the lack of analysis of the value as between land and buildings.

Property stock

Properties held as trading stock and included in current assets are stated at the lower of cost and net realisable value.

1 Principal accounting policies (continued)**Properties (continued)**

No provision is made for taxation on the chargeable gains which may arise if the properties were disposed of at their revalued amounts.

Sales of properties are recognised on completion of the sale.

All repairs and renewals are written off as incurred.

Housing improvement grants

Expenditure which is the subject of housing improvement grants is dealt with net of the grants obtained.

2 Turnover

	2000 £	1999 £
Turnover: rental income exclusive of rates	196,063	194,906
Cost of sales and other property outgoings	(65,544)	(35,681)
Operating profit	<u>130,519</u>	<u>159,225</u>

3 Auditors' remuneration

The company's auditors are remunerated through BPT plc and their fees are shown in the financial statements of that company.

4 Directors' emoluments

The directors have not received any emoluments from the company during the year.

5 Employee information

Other than the directors, the company has no employees.

6 Taxation

	2000 £	1999 £
United Kingdom corporation tax at 30% (1999: 31%):		
Current	103,452	45,459
Over provision in respect of prior years	-	(24,825)
	<u>103,452</u>	<u>20,634</u>
Tax on recognised gains and losses not included in profit and loss account		
United Kingdom corporation tax at 30% (1999: 31%)		
Current	<u>39,181</u>	<u>12,401</u>

7 Tangible fixed assets

	Freehold investment properties £
Valuation	
At 6 April 1999	3,160,600
Disposals	(306,000)
Transfer to property stock	(2,854,600)
	<u>-</u>
At 5 April 2000	<u>-</u>

The company's freehold investment properties were valued at their open market value on 5 April 1999. The historical cost of these properties on 5 April 1999 was £2,090,827. The potential corporation tax liability, had these properties been sold on that date, was approximately £160,000.

During the year the company transferred its investment properties into stock at their original cost.

8 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	6,818	9,846
Amounts owed by joint venture party	-	698
	<u>6,818</u>	<u>10,544</u>

9 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	472	25,319
Trade creditors	1,050	13,374
Accruals	8,885	-
Amounts owing to joint venture parties	-	225,840
Amounts owing to parent company	1,654,419	-
Amounts owing to fellow subsidiary undertakings	3,000	-
Corporation tax	142,633	57,860
	<u>1,810,459</u>	<u>322,393</u>

10 Called up share capital

	2000 £	1999 £
Authorised, allotted, called-up and fully paid		
50 "A" ordinary shares of £1 each	50	50
50 "B" ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

11 Reserves

	Revaluation reserve £	Profit and loss account £
At 6 April 1999	1,069,773	1,779,079
Transfer to profit and loss account	(130,604)	130,604
Tax on realisation of revaluation surpluses	-	(39,181)
Sustained loss for the year	-	(1,758,612)
Elimination of revaluation surplus on transfer to property stock	(939,169)	-
At 5 April 2000	<u>-</u>	<u>111,890</u>

12 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	241,388	196,019
Dividends	(2,000,000)	-
	<u>(1,758,612)</u>	<u>196,019</u>
Other recognised gains and losses (net)	(978,350)	435,399
Net movement in shareholders' fund	<u>(2,736,962)</u>	<u>631,418</u>
Opening shareholders' funds	2,848,952	2,217,534
Closing shareholders' funds	<u>111,990</u>	<u>2,848,952</u>

13 Post balance sheet event

On 6 April 2000, the net assets and property activities of the company, less intercompany balances and liabilities in respect of corporation tax and dividends, were transferred to BPT (Bradford Property Trust) Limited, a fellow wholly owned subsidiary of BPT plc.

14 Related party transactions

The company paid property management fees of £19,916 (1999: £26,555) to one of the joint venture parties namely BPT plc.

Following the acquisition of all the share capital by BPT plc, the company has taken advantage of the exemption available under FRS 8 "Related party disclosures" from disclosing transactions with related parties within that group.

15 Parent undertaking

At 5 April 2000, the company was a wholly owned subsidiary of BPT plc, a company registered in England and Wales, which the directors regard as the ultimate controlling party.

Copies of the parent's consolidated financial statements may be obtained from The Secretary, Jardine House, 3 Commercial Street, Forster Square, Bradford, BD1 4AN.