

**Company Registration No: 2809523**

**D S ESTATES (LANCASTER) LIMITED**

**Report and Financial Statements**

**31 December 2005**



**REPORT AND FINANCIAL STATEMENTS 2005**

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**REPORT AND FINANCIAL STATEMENTS 2005**

**OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

M H Marx  
Development Securities Estates PLC

**SECRETARY**

S A Lanes

**REGISTERED OFFICE**

Portland House  
Bressenden Place  
London SW1E 5DS

## **DIRECTORS' REPORT**

The directors present their annual report and financial statement for the year ended 31 December 2005.

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

The principal activity of the company at present and for the foreseeable future is that of property investment. The company did not trade during the current and preceding financial year. The directors do not foresee any changes in the future activities of the company.

### **DIVIDENDS**

The directors do not recommend the payment of a dividend (2004: £nil).

### **DIRECTORS AND DIRECTORS' INTERESTS**

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

M H Marx  
Development Securities Estates PLC

None of the directors had any interests in the shares of the company nor any other group company during the year except as noted below.

The interests of M H Marx at 31 December 2005 and 31 December 2004 in the 50p ordinary shares of Development Securities PLC, the ultimate parent company, and the options granted to him under that company's share option scheme are disclosed in the 2005 Annual Report and Financial Statements of that company.

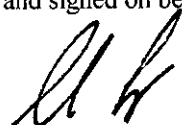
### **PAYMENT POLICY**

Amounts due to suppliers are settled promptly by Development Securities PLC on behalf of the company within their terms of payment, except in cases of dispute. The number of creditor days outstanding for Development Securities PLC at 31 December 2005 was one day (2004: one day).

### **AUDITORS**

The company has been dormant throughout the current and preceding financial year and no members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

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



S A Lanes  
Secretary

**30** October 2006

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# D S ESTATES (LANCASTER) LIMITED

## BALANCE SHEET 31 December 2005

	Note	2005 £	2004 £
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due after more than one year	3	605,180	605,180
<b>CREDITORS: amounts falling due within one year</b>	4	<u>(366,337)</u>	<u>(366,337)</u>
<b>NET ASSETS</b>		<u>238,843</u>	<u>238,843</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	100	100
Profit and loss account		<u>238,743</u>	<u>238,743</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>238,843</u>	<u>238,843</u>
<b>REPRESENTED BY:</b>			
<b>EQUITY SHAREHOLDERS' FUNDS</b>		238,747	238,747
<b>NON-EQUITY SHAREHOLDERS' FUNDS</b>	5	<u>96</u>	<u>96</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>238,843</u>	<u>238,843</u>

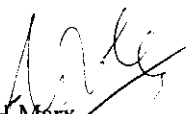
For the year ended 31 December 2005 the company was entitled to exemption under section 249aa(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2).

The directors acknowledge their responsibility for: (i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on **30** October 2006.

Signed on behalf of the Board of Directors

  
M H Marx  
Director

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2005**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

These financial statements are prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention. The accounting policies adopted are consistent with the previous year.

**2 PROFIT AND LOSS ACCOUNT**

The company did not trade during the current or preceding financial year and made neither a profit nor a loss. There are no recognised gains or losses or movements in shareholders' funds for the current or preceding financial year.

M H Marx did not receive any emoluments from the company during the year (2004: £nil) for his services as director.

The company does not have any employees (2004: none).

**3 DEBTORS**

	2005 £	2004 £
Amounts due after more than one year:		
Amounts due from parent company	<u>605,180</u>	<u>605,180</u>

**4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005 £	2004 £
Amounts due to group undertaking	<u>366,337</u>	<u>366,337</u>

**5 CALLED UP SHARE CAPITAL**

	2005 £	2004 £
Authorised, allotted and fully paid:		
2 Ordinary shares of £1 each	2	2
2 'A' Ordinary shares of £1 each	2	2
96 Participating Preference shares of £1 each	<u>96</u>	<u>96</u>
	<u>100</u>	<u>100</u>

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2005**

**5 CALLED UP SHARE CAPITAL (continued)**

Preference shareholders are entitled to receipt of a non-cumulative fixed dividend of 10% in priority to the receipt of dividends to any other class of share. Subject thereto, any profit not exceeding £3,000,000 is to be distributed pro-rata to the holders of Preference shares and Ordinary shares. Profits in excess of £3,000,000 shall be distributed as to 99% to the holders of the Ordinary shares and 1% amongst the holders of "A" Ordinary shares.

Upon winding up, Preference shareholders are to have priority in terms of receipt of the amount of the paid-up capital. Any excess up to £3,000,000 is also to form the entitlement, pro-rata, of the Preference shareholders. Any further surplus shall be awarded to the Ordinary shareholders. The "A" Ordinary shareholders are not entitled to participate in any distribution of capital on winding up.

Preference shareholders have no right to attend or to vote at General Meetings. Ordinary shareholders and "A" Ordinary shareholders have the right to one vote per Ordinary share held.

**6 ULTIMATE AND IMMEDIATE CONTROLLING PARTIES**

The ultimate parent and controlling company of the largest group of which D S Estates (Lancaster) Limited is a member and for which consolidated accounts are produced is Development Securities PLC. The immediate parent company of the smallest group of which D S Estates (Lancaster) Limited is a member and for which consolidated accounts are produced is Development Securities (Investments) PLC. Both companies are registered in England and Wales. Copies of the Annual Report and Financial Statements of Development Securities PLC and Development Securities (Investments) PLC can be obtained from Portland House, Bressenden Place, London SW1E 5DS.

**7 RELATED PARTY DISCLOSURE**

The company is a wholly owned subsidiary undertaking and, in accordance with the exemption provided by Financial Reporting Standard No. 8, "Related Party Disclosures," transactions with other undertakings within the Development Securities PLC group have not been disclosed within these financial statements.