

Company Registration No. 2825044

**ABNEY INVESTMENTS LIMITED**

**Report and Financial Statements**

**30 September 2001**

**Deloitte & Touche  
Chartered Accountants  
PO Box 500  
201 Deansgate  
Manchester  
M60 2AT**



## **ABNEY INVESTMENTS LIMITED**

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## **ABNEY INVESTMENTS LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

M J Oglesby  
Mrs J D Oglesby  
R E Kitson

#### **SECRETARY**

C N K Greenwood

#### **REGISTERED OFFICE**

Manchester Technology Centre  
Oxford Road  
Manchester  
M1 7ED

#### **BANKERS**

Lloyds Bank / Helaba / KBC Bank NV  
N M Rothschild & Sons / Singer & Friedlander / Erste Bank  
The Royal Bank of Scotland  
Norwich Union  
Britannia Building Society  
National Westminster Bank

#### **SOLICITORS**

Addleshaw Booth & Co., 100 Barbirolli Square, Manchester  
Cobbetts, Ship Canal House, King Street, Manchester  
Halliwell Landau, St James' Court, Brown Street, Manchester

#### **AUDITORS**

Deloitte & Touche  
Chartered Accountants  
P.O. Box 500  
201 Deansgate  
Manchester  
M60 2AT

## ABNEY INVESTMENTS LIMITED

### DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2001.

### ACTIVITIES

The principal activity of the group during the year was that of property investment and management.

### DIVIDENDS AND TRANSFERS TO RESERVES

The results for the year are set out in detail on page 5. The profit for the year of £3,788,701 has been transferred to reserves. (2000: £1,908,396)

The directors recommend the payment of a final dividend of £100,000. (2000 - £Nil)

### FUTURE PROSPECTS

The directors consider the future prospects of the group and company to be satisfactory.

### FIXED ASSETS

Movements in the fixed assets are detailed on pages 13 and 14.

### DIRECTORS AND THEIR INTERESTS

The directors of the company together with their interests in the share capital at the beginning and end of the year, were as follows:

	At 30 September 2001 £1 Ordinary shares	At 30 September 2000 £1 Ordinary shares
M J Oglesby	9,717,385	50,002
Mrs J D Oglesby	9,716,803	50,001
R E Kitson	-	-
	<u>19,434,188</u>	<u>100,003</u>

### POLITICAL AND CHARITABLE CONTRIBUTIONS

There were no political contributions during the year (2000 - £Nil). There were no charitable contributions during the year (2000 - £31,000).

## **ABNEY INVESTMENTS LIMITED**

### **DIRECTORS' REPORT**

#### **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 period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgments and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed;
- \* 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. There 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**

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



C.N.K. Greenwood  
Secretary

30th November 2001

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABNEY INVESTMENTS LIMITED**

We have audited the financial statements of Abney Investments Limited for the year ended 30 September 2001 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the statement of total recognised gains and losses and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors' are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 Companies Act 1985. We also report 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 with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

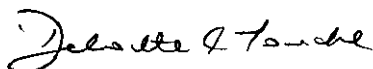
### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 and the group's affairs as at 30 September 2001 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
P O Box 500  
201 Deansgate  
Manchester  
M60 2AT

30th November 2001

# ABNEY INVESTMENTS LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 30 September 2001

	Note	2001 £	2000 £
<b>TURNOVER</b>	2	25,024,872	20,941,686
Cost of sales		<u>(7,767,763)</u>	<u>(6,990,560)</u>
Gross profit		17,257,109	13,951,126
Administrative expenses		<u>(5,447,229)</u>	<u>(4,056,776)</u>
<b>OPERATING PROFIT</b>	3	<u>11,809,880</u>	<u>9,894,350</u>
Interest receivable		87,925	62,361
Interest payable and similar charges	5	<u>(8,657,904)</u>	<u>(7,331,261)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	3,239,901	2,625,450
Tax on profit on ordinary activities	6	<u>-</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>3,239,901</u>	<u>2,625,450</u>
Minority Interest in profit for the year	14	(192,032)	(617,054)
Write back of minority interest losses accumulated in prior years	14	934,634	-
Non equity minority interests		<u>(93,802)</u>	<u>(100,000)</u>
<b>PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE MEMBERS</b>		3,888,701	1,908,396
Equity Dividend proposed	7	(100,000)	-
<b>RETAINED PROFIT FOR THE FINANCIAL PERIOD</b>	20	<u>3,788,701</u>	<u>1,908,396</u>

A note of the historical cost profit or loss for the period is not presented as there is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis. The reconciliation of movements in shareholders' funds is shown in note 19.

The above results all relate to continuing operations.

**ABNEY INVESTMENTS LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**Year ended 30 September 2001**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>PROFIT FOR FINANCIAL YEAR ATTRIBUTABLE TO THE MEMBERS</b>	3,888,701	1,908,396
Unrealised surplus on revaluation of properties	12,182,281	12,849,857
Unrealised loss on exchange of shares within subsidiary companies	(2,474,384)	-
Minority interest share of revaluation surplus	<u>(6,136,190)</u>	<u>(4,083,110)</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u><u>7,460,408</u></u>	<u><u>10,675,143</u></u>



# ABNEY INVESTMENTS LIMITED

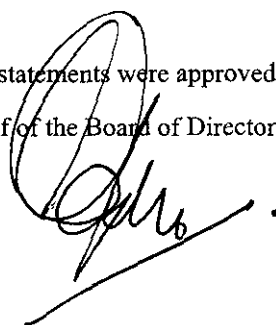
## CONSOLIDATED BALANCE SHEET

30 September 2001

	Note	2001	2000
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	216,948,962	180,511,099
<b>CURRENT ASSETS</b>			
Developments in progress		667,861	895,480
Debtors: amounts receivable within one year	10	5,841,153	5,150,987
Debtors: amounts receivable after more than one year	10	2,686,985	2,725,362
Cash at bank and in hand		<u>1,042,031</u>	<u>-</u>
		10,238,030	8,771,829
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(13,742,679)</u>	<u>(11,673,160)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,504,649)</u>	<u>(2,901,331)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		213,444,313	177,609,768
<b>CREDITORS: amounts falling due after more than one year</b>	12	(123,390,607)	(102,672,442)
		<u>90,053,706</u>	<u>74,937,326</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	19,504,107	100,003
Share premium account	16	18,181	19,334,185
Revaluation reserve	17	30,564,249	29,570,642
Profit and loss account	20	11,687,020	6,410,900
Capital reserve	18	6,047,719	5,157,038
Group Redemption Reserve	21	850,000	650,000
<b>SHAREHOLDERS' FUNDS (including non-equity)</b>	19	<u>68,671,276</u>	<u>61,222,768</u>
<b>MINORITY INTERESTS</b>			
Equity minority interests	14	19,642,166	11,774,294
Non equity minority interests	14	1,740,264	1,940,264
		<u>90,053,706</u>	<u>74,937,326</u>

These financial statements were approved by the Board of Directors on 30th November 2001

Signed on behalf of the Board of Directors



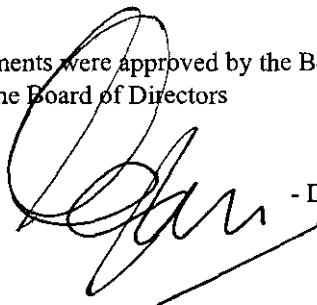
- Director

# ABNEY INVESTMENTS LIMITED

## BALANCE SHEET 30 September 2001

	Note	£	2001 £	£	2000 £
<b>FIXED ASSETS</b>					
Investments	9	<u>21,298,792</u>	21,298,792	<u>21,298,792</u>	21,298,792
<b>CURRENT ASSETS</b>					
Debtors	10	257		8,273	
Cash at bank and in hand		<u>88,784</u>		<u>-</u>	
		89,041		8,273	
<b>CREDITORS: amounts falling due within one year</b>					
	11	<u>(101,936)</u>		<u>(937)</u>	
<b>NET CURRENT ASSETS</b>					
			<u>(12,895)</u>		<u>7,336</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			21,285,897		21,306,128
<b>CREDITORS: amounts falling due after more than one year</b>					
	12		<u>(498,048)</u>		<u>(605,556)</u>
			<u>20,787,849</u>		<u>20,700,572</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		19,504,107		100,003
Share premium account	16		18,181		19,334,185
Profit and loss account	20		1,265,561		1,266,384
<b>SHAREHOLDERS' FUNDS</b>					
			<u>20,787,849</u>		<u>20,700,572</u>
Equity Shareholders' Funds			20,717,930		20,700,572
Non Equity Shareholders' Funds			<u>69,919</u>		<u>-</u>
			<u>20,787,849</u>		<u>20,700,572</u>

These financial statements were approved by the Board of Directors on 30th November 2001  
Signed on behalf of the Board of Directors

  
- Director

# ABNEY INVESTMENTS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT Year ended 30 September 2001

	Note	2001 £	2000 £
Net cash inflow from operating activities	25	14,054,154	8,214,278
<b>Returns on investments and servicing of finance</b>			
Interest received		86,983	62,361
Interest paid		(8,273,015)	(6,915,214)
Dividends paid to minority in subsidiary undertaking		<u>(93,802)</u>	<u>(100,000)</u>
Net cash outflow from returns on investments and servicing of finance		(8,279,834)	(6,952,853)
<b>Taxation</b>			
UK corporation tax paid		<u>-</u>	<u>-</u>
<b>Capital Expenditure and Financial Investment</b>			
Purchase of tangible fixed assets		(28,711,794)	(33,013,641)
Disposal of tangible fixed assets and developments in progress		<u>4,477,992</u>	<u>28,249</u>
Net cash outflow from capital expenditure and financial investment		<u>(24,233,802)</u>	<u>(32,985,392)</u>
Net cash outflow before financing		(18,459,482)	(31,723,967)
<b>Financing</b>			
Loans repaid		(4,891,588)	(309,091)
Issue of Ordinary Share Capital		88,100	-
Issue of capital to Minority Interest		-	576
Redemption to minorities		(200,000)	(150,000)
New medium term bank loans		<u>25,600,000</u>	<u>29,644,000</u>
Net cash inflow from financing		20,596,512	29,185,485
<b>Increase/(decrease) in cash</b>	26	<u>2,137,030</u>	<u>(2,538,482)</u>

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain land and buildings. Compliance with SSAP19 "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and amortisation and an explanation of the departure is given below under Investment Properties.

#### Basis of consolidation

The group accounts consolidate the accounts of the company and its subsidiaries using the acquisition method. All of the subsidiaries draw up accounts to 30 September.

Investments in subsidiary companies are shown in the company's financial statements at cost less provision for permanent diminution in value.

#### Basis of consolidation and goodwill

The group accounts consolidate the accounts of the company and its subsidiaries using the acquisition method. All of the subsidiaries draw up accounts to 30 September. Goodwill arising on acquisitions prior to 30 September 1998 was written off directly to reserves and remains written off as a matter of accounting policy. Any goodwill arising on future acquisitions will be capitalised and written off over its useful economic life not exceeding 20 years.

Investments in subsidiary companies are shown in the company's financial statements at cost less provision for permanent diminution in value.

#### Depreciation

Depreciation is provided on the following basis:

Fixtures and fittings	10% - 33% on cost
Motor vehicles	25% - 33% on reducing balance

#### Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those, in which they are included in the financial statements, to the extent that it is probable that a liability or asset will crystallise in the future.

#### Investment properties

In accordance with SSAP19, investment properties are revalued annually. Individual permanent diminutions in value below historic cost are expensed through the profit and loss account, and individual surpluses or temporary deficits below historical cost are transferred to the revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 1985 requires all properties to be depreciated. However this requirement conflicts with the generally accepted accounting principle set out in SSAP19. The Directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 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 depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 1 ACCOUNTING POLICIES (Continued)

#### Leases

Rentals are charged to profit and loss account in equal annual amounts over the lease term.

#### Rental income

Rent is accounted for on an accruals basis with rent received in advance being included in creditors under accruals and deferred income.

#### Development in progress

Developments in progress are stated at cost less foreseeable losses.

#### Pension costs

Bruntwood Estates Limited makes discretionary contributions to personal pension plans in respect of all employees after a six month probationary period.

### 2 TURNOVER AND PROFIT BEFORE TAXATION

	Turnover		Profit before tax	
	2001	2000	2001	2000
	£	£	£	£
Rental and related income	<u>25,024,872</u>	<u>20,941,686</u>	<u>3,239,901</u>	<u>2,625,450</u>

All turnover arises within the United Kingdom.

### 3 OPERATING PROFIT

	2001	2000
	£	£
Operating profit is after charging/(crediting):		
Auditors remuneration - Audit fees	46,650	29,400
- Other Services	76,375	14,850
Directors emoluments	421,293	373,784
Depreciation	167,147	99,589
Profit on disposal of assets	(45,159)	(1,376)
Rent paid	<u>281,489</u>	<u>362,335</u>

### 4 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2001	2000
	£	£
<b>Directors' emoluments</b>		
Management remuneration (excluding pensions)	<u>421,293</u>	<u>373,784</u>

This includes salaries paid by Bruntwood Trading Group Limited a company of which M J Oglesby is a director and shareholder and recharged to Bruntwood Estates Limited.

Pension Contributions made to money purchase schemes.	<u>75,000</u>	<u>69,000</u>
Number of directors who were members of money purchase schemes	<u>3</u>	<u>3</u>
Remuneration of the highest paid director (no pension contributions)	<u>112,466</u>	<u>119,990</u>
Highest paid director's remuneration pension contributions	<u>20,000</u>	<u>24,000</u>

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 4 INFORMATION REGARDING DIRECTORS AND EMPLOYEES (Continued)

	30 September 2001	Average 2001	Average 2000
<b>Number of persons employed</b>			
Administration and management	76	70	66
Customer Service staff	80	72	75
<b>Total</b>	<u>156</u>	<u>142</u>	<u>141</u>
		<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
<b>Staff costs during the year (including directors)</b>			
Wages and salaries		2,897,142	2,296,350
Social security costs		301,913	225,889
All Employee Share Ownership Plan		133,261	-
Pension costs		169,231	164,188
		<u>3,501,547</u>	<u>2,686,427</u>

During the year the company introduced an All Employee Share Ownership Plan (AESOP).

The plan provides for the granting of shares on an annual basis for all eligible members of staff based upon performance targets. The shares are held by a trust and may be sold by employees provided they continue in employment with the company for a qualifying period.

The shares held by the trust are Abney Investments Limited non voting 'A' Ordinary Shares of £1 each. At 30 September 2001 the trust held 69,919 shares (cost £88,098) with a market value of £105,690. The full costs of acquiring the shares and a provision for the increase in value of the shares has been charged to the Profit & Loss account.

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	<b>£</b>	<b>£</b>
Bank overdraft	14,089	30,679
Other loans repayable within five years	2,133	47,240
Loans repayable by instalments after more than five years	8,584,082	7,195,742
Loans repayable after more than five years not by instalments	57,600	57,600
	<u>8,657,904</u>	<u>7,331,261</u>

### 6 TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge due to non-provision of deferred tax liabilities.

### 7 EQUITY DIVIDENDS PAID AND PROPOSED

	2001	2000
	<b>£</b>	<b>£</b>
Dividends proposed on ordinary shares (0.51p per share) (2000: Nil)	<u>100,000</u>	<u>-</u>

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS Year ended 30 September 2001

### 8 FIXED ASSETS

GROUP	Investment properties			Total £
	Freehold	Long leasehold	Fixtures and fittings	
	£	£	£	
<b>Cost or valuation</b>				
Balance at 1 October 2000	112,180,277	67,916,267	1,107,884	181,204,428
Additions	22,419,510	6,061,253	231,031	28,711,794
Disposals	-	(4,250,000)	(96,568)	(4,346,568)
Revaluation	4,615,869	7,566,412	-	12,182,281
At 30 September 2001	<u>139,215,656</u>	<u>77,293,932</u>	<u>1,242,347</u>	<u>217,751,935</u>
<b>Depreciation</b>				
Balance at 1 October 2000	-	-	693,329	693,329
Charge for period	-	-	167,147	167,147
Disposals	-	-	(57,503)	(57,503)
At 30 September 2001	<u>-</u>	<u>-</u>	<u>802,973</u>	<u>802,973</u>
<b>Net book value</b>				
At 30 September 2001	<u>139,215,656</u>	<u>77,293,932</u>	<u>439,374</u>	<u>216,948,962</u>
At 30 September 2000	<u>112,180,277</u>	<u>67,916,267</u>	<u>414,555</u>	<u>180,511,099</u>

The revaluation surplus shown in note 17 represents the only differences between historical cost and the values shown in this note.

In September of this year the Directors of the company instructed Knight Frank & Co to undertake a full valuation of all the properties owned by the company. This valuation exercise produced a significant increase in value on all properties across the portfolio over those used in the balance sheet prepared at September 2001. After very careful consideration the Directors came to the conclusion that they would take a more conservative view of the value of all properties owned by the group of companies.

Abney Investments has been trading in this market place for well over 20 years and has seen substantial fluctuations over this period in the value of properties and market sentiment towards the industry. It is because of this that the Directors formed a view to adopt this policy which will once again be reviewed in 12 months time against the background both of the fellow professional valuer's and also market conditions.

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 9 INVESTMENTS

	The Group AESOP Investment in own shares £	The Company Investment in subsidiaries £
Cost and Net Book Value		
At 30 September 2000	-	21,298,792
Additions	88,098	-
Amortisation (see note 4)	(88,098)	-
At 30 September 2001	-	21,298,792

#### Additional information on principal subsidiaries

Subsidiaries	Country of incorporation	Activity	Effective Proportion of ordinary shares held
Bruntwood Estates Limited	England and Wales	Property investment and management	100%
Abney First Properties Limited	England and Wales	Property investment and management	100%
Bruntwood 2000 First Properties Limited	England and Wales	Property investment and management	0% (a)
Bruntwood 2000 Second Properties Limited	England and Wales	Property investment and management	0% (a)
Bruntwood 2000 Third Properties Limited	England and Wales	Property investment and management	0% (a)
Bruntwood First Properties Limited	England and Wales	Property investment and management	0% (b)
Bruntwood Second Properties Limited	England and Wales	Property investment and management	0% (b)
Bruntwood Third Properties Limited	England and Wales	Property investment and management	0% (b)

(a) The company holds 100% of these companies cumulative preference shares either directly or through Bruntwood Estates Limited. These companies are consolidated by virtue of unified management and control.

(b) Bruntwood Estates Limited holds 100% of these companies' cumulative preference shares. These companies are consolidated by virtue of unified management and control.

During the year Bruntwood Estates Limited disposed of its shareholding in The Bruntwood Group Limited in consideration for preference share capital of £1,500,000 in Bruntwood 2000 Limited.



**ABNEY INVESTMENTS LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 30 September 2001**

**10 DEBTORS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	3,956,691	3,527,605	-	-
Amounts due from related parties	481,746	1,106,607	-	-
ACT recoverable	67,126	67,126	-	-
Other debtors	2,208,271	2,859,749	-	8,273
Prepayments and accrued income	1,814,304	315,262	257	-
	<u>8,528,138</u>	<u>7,876,349</u>	<u>257</u>	<u>8,273</u>
Analysis of debtors				
Amounts due in less than one year	5,841,153	5,150,987	257	8,273
Amounts due in more than one year	2,686,985	2,725,362	-	-
	<u>8,528,138</u>	<u>7,876,349</u>	<u>257</u>	<u>8,273</u>

The amounts due from related parties are receivable after more than one year. Included within Other Debtors is a balance of £2,205,239 (2000: £2,725,361) which is also receivable after more than one year.

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

	<b>The Group</b>		<b>The Company</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current instalments due on bank loans	328,783	332,066	-	-
Bank overdraft	-	1,094,999	-	-
Trade creditors	1,787,231	1,521,828	-	-
Other creditors including taxation and social security	1,974,418	1,480,552	100,000	937
Accruals and deferred income	9,652,247	7,243,715	1,936	-
	<u>13,742,679</u>	<u>11,673,160</u>	<u>101,936</u>	<u>937</u>

The bank overdraft is secured by way of floating charge on the assets of one of the company's subsidiaries.

**12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>The Group</b>		<b>The Company</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loans	123,093,959	102,382,264	-	-
Amounts due to subsidiary undertakings	-	-	498,048	605,556
Other Creditors	296,648	210,178	-	-
Amounts due to director - M J Oglesby	-	80,000	-	-
	<u>123,390,607</u>	<u>102,672,442</u>	<u>498,048</u>	<u>605,556</u>

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (Continued)

	2001	The Group	2001	The Company
	£	2000	£	2000
		£		£
The loans comprise:				
Lloyds Bank / Helaba / KBC Bank NV	57,500,000	52,000,000	-	-
N M Rothschild & Son/ Singer & Friedlander/	25,000,000	22,300,000	-	-
Erste Bank	-	-	-	-
Royal Bank of Scotland	37,900,000	26,600,000	-	-
Norwich Union	2,548,024	923,635	-	-
Britannia Building Society	145,935	308,392	-	-
National Westminster Bank	-	250,237	-	-
	<u>123,093,959</u>	<u>102,382,264</u>	<u>-</u>	<u>-</u>
Analysis of loan repayments				
Due within 1 year or on demand	328,783	332,066	-	-
Between two and five years	122,593,959	101,882,264	-	-
After five years	500,000	500,000	-	-
	<u>123,422,742</u>	<u>102,714,330</u>	<u>-</u>	<u>-</u>

	Group	Group
	2001	2000
	£	£
Aggregate amount payable wholly after 5 years not by instalment	<u>500,000</u>	<u>500,000</u>

Bank loans are secured by way of a charge on properties of the group companies and cross group guarantees as follows:

Lender	Loan (£)	Cross Guarantee
Lloyds Bank / Heleba / KBC Bank NV	57,500,000	Bruntwood Estates Ltd, Bruntwood First Properties Limited, Bruntwood 2000 First Properties Limited
N M Rothschild & Son/ Singer & Friedlander/ Erste Bank	25,000,000	Bruntwood Estates Ltd, Bruntwood Third Properties Limited, Bruntwood 2000 Third Properties Limited
Royal Bank of Scotland	37,900,000	Bruntwood Estates Ltd, Bruntwood Second Properties Limited, Bruntwood 2000 Second Properties Limited

There is an overall facility granted by Lloyds Bank / Helaba / KBC Bank NV to Bruntwood Estates Limited and other companies under common control. The facility has been secured over a number of properties on a consolidated basis and there are joint and several continuing non-determinable guarantees by the companies. The loan is repayable within 5 years. In addition facilities have been granted by N M Rothschild and The Royal Bank of Scotland on a consolidated basis.

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (Continued)

The Britannia Building Society, N M Rothschild/Erste Bank/Singer & Friedlander, Royal Bank of Scotland, and Norwich Union loans are secured on properties. Interest rates on the loans are chargeable at rates ranging from base +1.125% to 13.5% per annum.

As part of its risk management policy the group employs a range of financial instruments for current borrowing requirements. This includes agreements under which counterparties have undertaken to pay amounts to the group equal to variable interest obligations in consideration of amounts payable by the group equivalent to fixed rates of interest. In addition certain counterparties have agreed to provide the group fixed rates of interest. The time remaining to maturity on the agreements varies between 1 and 5 years.

### 13 LOANS FROM/TO GROUP AND RELATED PARTIES

Amounts due from group companies and amounts due from related parties are receivable after one year. The related parties have undertaken not to seek repayment of the amount due to them within one year. Related parties are under control of common directors and shareholders. No security has been given for the loans and no interest will be paid as agreed from time to time.

### 14 MINORITY INTERESTS

The non equity minority interests comprise 470,000 redeemable 5% preference shares of £1 each and 1,320,264 non redeemable 5% preference shares of £1 each in Bruntwood Estates Limited. The shares do not entitle the holders to any rights against other group companies. The redeemable shares are redeemable on 1 August 2003 in any event or at the company's option after five years, at the issue price.

	Equity £	Non equity £
At 1 October 2000	11,774,294	1,940,264
Introduced / (acquired) in the period	-	(200,000)
Disposal of shares in dormant company	(100)	-
Arising on exchange of shares within subsidiaries	2,474,384	-
Share of profit for the year	192,032	-
Prior year losses previously attributed to Bruntwood Estates Limited	(934,634)	-
Share of revaluation surplus (see note 17)	6,136,190	-
At 30 September 2001	<u>19,642,166</u>	<u>1,740,264</u>

### 15 CALLED UP SHARE CAPITAL

	2001 £	2000 £
<b>Authorised</b>		
19,450,000 (2000 - 101,000) Ordinary Shares of £1 each	19,450,000	101,000
750,000 Non Voting 'A' Ordinary Shares of £1 each	750,000	-
	<u>20,200,000</u>	<u>101,000</u>
<b>Called up, allotted and fully paid</b>		
19,434,188 (2000 - 100,003) Ordinary Shares of £1 each	19,434,188	100,003
69,919 (2000 - Nil) Non Voting 'A' Ordinary Shares of £1 each	69,919	-
	<u>19,504,107</u>	<u>100,003</u>

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 15 CALLED UP SHARE CAPITAL (Continued)

On 22nd November 2000 the company increased the authorised share capital to £20,200,000 including 750,000 non voting 'A' Ordinary shares in order to establish an All Employee Share Ownership Plan.

On 22nd November 2000 the company allotted a further 19,334,185 £1 Ordinary shares though conversion of the balance on the share premium account.

On 13th March 2001 the company allotted 69,919 £1 'A' Ordinary Shares for £1.26 per share resulting in a premium of £18,181 which is shown in the share premium account.

The 'A' Ordinary shares do not entitle their holders to receive notice of or to attend shareholders meetings of the company. The directors may recommend and the company may declare the same dividend on each class of share, differing dividends on each class of share or dividends on one class of share and none on the other. The non voting 'A' Ordinary shares are also subject to pre-emption provisions on transfer, whereby, they have to be offered to the company, then the trustees of the All Employee Share Ownership Plan and finally to the holders of ordinary shares.

### 16 SHARE PREMIUM ACCOUNT

Group and Company  
£

Balance at 1 October 2000	19,334,185
Arising on issue of 'A' Ordinary Share Capital	18,181
Allotment of Ordinary Share Capital	(19,334,185)
Balance at 30 September 2001	<u>18,181</u>

### 17 REVALUATION RESERVE

	Attributable to the group	Attributable to minority shareholders	Total
GROUP	£	£	£
Balance at 1 October 2000	29,570,642	10,886,027	40,456,669
Arising on revaluation during the period	6,046,091	6,136,190	12,182,281
Realised on disposal of investment property	(1,687,419)	-	(1,687,419)
Arising on exchange of shares within subsidiaries	(3,365,065)	-	(3,365,065)
Balance at 30 September 2001	<u>30,564,249</u>	<u>17,022,217</u>	<u>47,586,466</u>

### 18 CAPITAL RESERVE

Group  
£

#### Capital reserve arising on consolidation

Balance at 1 October 2000	5,157,038
Unrealised loss arising on exchange of shares within subsidiaries	(2,474,384)
Transfer from revaluation reserve relating to the exchange of shares within subsidiaries	3,365,065
At 30 September 2001	<u>6,047,719</u>

The company has no capital reserve.

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 19 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year attributable to the members	3,888,701	1,908,396
Equity dividend payable	(100,000)	-
	<u>3,788,701</u>	<u>1,908,396</u>
Unrealised surplus on revaluation of properties	12,182,281	12,849,857
Other recognised gains and losses	(2,474,384)	-
Minority interest of revaluation surplus	(6,136,190)	(4,083,110)
Issue of ordinary share capital	88,100	-
Additions to shareholders' funds	<u>7,448,508</u>	<u>10,675,143</u>
Opening shareholders' funds	<u>61,222,768</u>	<u>50,547,625</u>
Closing shareholders' funds	<u><u>68,671,276</u></u>	<u><u>61,222,768</u></u>
Represented by:		
Equity Shareholders' Funds	68,601,357	61,222,768
Non-Equity Shareholders' Funds	69,919	-
	<u><u>68,671,276</u></u>	<u><u>61,222,768</u></u>

### 20 PROFIT AND LOSS ACCOUNT

	Group £	Company £
At 1 October 2000	6,410,900	1,266,384
Retained profit/(loss) for the period	3,788,701	(823)
Transfer to group redemption reserve	(200,000)	-
Realisation of revaluation reserve on disposal	<u>1,687,419</u>	<u>-</u>
At 30 September 2001	<u><u>11,687,020</u></u>	<u><u>1,265,561</u></u>

### 21 GROUP REDEMPTION RESERVE

	Group £
At 1 October 2000	650,000
Transferred from profit and loss account	<u>200,000</u>
At 30 September 2001	<u><u>850,000</u></u>

### 22 FINANCIAL COMMITMENTS

At 30 September 2001 the group had commitments of £897,732 for capital expenditure

At 30 September 2001 the group was committed to making the following payments during the next year in respect of operating leases

#### Leases which expire:

#### Land and Buildings

Within one year	-
Within two to five years	-
After five years	<u>336,452</u>
	<u><u>336,452</u></u>

# ABNEY INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 23 DEFERRED TAXATION

There is no provision for deferred taxation at 30 September 2001.

The amounts for which provision at 30% has not been made are as follows:

	The Group		The Company	
	2001	2000	2001	2000
	£	£	£	£
Accelerated capital allowances	6,611,060	4,589,297	-	-
Revaluation of properties	20,488,762	17,484,979	-	-
Unutilised losses	(2,872,858)	(1,630,648)	(112,948)	(112,667)
Other provisions	-	(38,364)	-	-
	<u>24,226,964</u>	<u>20,405,264</u>	<u>(112,948)</u>	<u>(112,667)</u>

### 24 PROFIT ATTRIBUTABLE TO MEMBERS

Under the provision of Section 230 of the Companies Act 1985 the company is exempt from presenting its own profit and loss account.

The amount of consolidated profit for the financial period dealt with in the accounts of the company is as follows:

	2001	2000
	£	£
(Loss)/Profit on ordinary activities before taxation	(823)	99,885
Taxation	-	-
(Loss)/Profit for the financial period	<u>(823)</u>	<u>99,885</u>

### 25 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2001	2000
	£	£
Operating profit	11,809,880	9,894,350
Depreciation	167,147	99,589
Profit on sale of fixed assets	(45,159)	(1,376)
Decrease/(increase) in debtors	(795,561)	(2,313,272)
Decrease in developments in progress	227,619	651,329
Increase in creditors	2,690,228	(116,342)
Net cash inflow from operating activities	<u>14,054,154</u>	<u>8,214,278</u>

### 26 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2001	2000
	£	£
Increase/(decrease) in cash in the period	2,137,030	(2,538,482)
Repayment of loans	4,891,588	309,090
New medium term loans	<u>(25,600,000)</u>	<u>(29,644,000)</u>
Change in net debt	<u>(18,571,382)</u>	<u>(31,873,392)</u>
Net debt at 1 October 2000	<u>(103,809,329)</u>	<u>(71,935,937)</u>
Net debt at 30 September 2001	<u>(122,380,711)</u>	<u>(103,809,329)</u>

## ABNEY INVESTMENTS LIMITED

### NOTES TO THE ACCOUNTS

Year ended 30 September 2001

#### 27 ANALYSIS OF CHANGES - NET DEBT

	At 1.10.00 £	Cash flow £	Non Cash Movements £	At 30.9.01 £
Cash at bank and in hand	-	1,042,031	-	1,042,031
Bank overdraft	(1,094,999)	1,094,999	-	-
	(1,094,999)	2,137,030	-	1,042,031
Debts due within one year	(332,066)	332,066	(328,783)	(328,783)
Debts due after one year	(102,382,264)	(21,040,478)	328,783	(123,093,959)
	<u>(103,809,329)</u>	<u>(18,571,382)</u>	<u>-</u>	<u>(122,380,711)</u>

#### 28 ULTIMATE CONTROLLING PARTY

Abney Investments Limited is wholly owned by Mr M J Oglesby and Mrs J D Oglesby who are considered to be the ultimate controlling parties.

#### 29 RELATED PARTY TRANSACTIONS

##### Group Only

Details of transactions with the company's wholly owned subsidiaries are not disclosed as the company has taken advantage of the exemption contained in FRS8 "Related Party Disclosures".

Included in debtors/(creditors) are the following amounts due from/(to) related parties:

	£
Roundthorn Group Pension Fund	100,730
Bruntwood Trading Group Limited	168,990
Bruntwood Business Centres Limited	151,347
Bruntwood Storage Limited	60,531
	<u>481,598</u>

The balance due from the Roundthorn Group Pension and Life Assurance Scheme represents expenses incurred by Bruntwood Estates Limited on behalf of the scheme. The trustees of the scheme are Mr.M J Oglesby and his wife Mrs.J D Oglesby.

Bruntwood Business Centres Limited and Bruntwood Storage Group Limited are subsidiaries of Bruntwood Trading Group Limited, a company controlled by Mr M.J. Oglesby.

Included in the result for the year is a charge of £598,058 from Bruntwood Trading Group Limited representing management services provided by that company. In turn, Abney group companies have charged Bruntwood Trading Group Limited £268,990 for rentals.

There were no other related party transactions in the year.