

**PILLAR (YORK) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31st March 2001**

**Registered number: 2840719**



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# **PILLAR (YORK) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 31ST MARCH 2001**

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## PILLAR (YORK) LIMITED

### DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31st March 2001.

#### 1. PRINCIPAL ACTIVITY

The company exchanged contracts for the disposal in its investment in the Monks Cross Partnership in March 2000. This transaction completed in June 2000. The company intends to invest in commercial property in the future.

#### 2. 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 and of the profit or loss for that period. 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, subject to any material departures disclosed in the financial statements
- 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. The directors have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

#### 3. DIRECTORS

The following served as directors during the year:

H J M Price  
H R Mould

Neither of the directors had any interest in the shares of the company during the year.

The interests of the directors who held office at the end of the year in the shares of the parent company, Pillar Property PLC, are shown in the report and accounts of that company.

#### 4. AUDITORS

A resolution is to be proposed at the Annual General Meeting for the re-appointment of KPMG Audit Plc as auditors of the company.

#### 5. INSURANCE

The company has maintained liability insurance for its directors through a group wide scheme.

Lansdowne House  
Berkeley Square  
London  
W1J 6HQ



By Order of the Board  
P J Martin  
Secretary  
28th September 2001

## REPORT OF THE AUDITORS TO THE MEMBERS OF PILLAR (YORK) LIMITED

We have audited the financial statements on pages 3 to 6.

### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the director's report and, as described on page 1, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 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 with the company is not disclosed.

### *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 affairs of the company as at 31st March 2001 and its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*  
KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
London

28th September 2001

**PILLAR (YORK) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31ST MARCH 2001**

	NOTE	Year ended 31 <sup>st</sup> March 2001 £	Year ended 31 <sup>st</sup> March 2000 £
SHARE OF PARTNERSHIP PROFITS		305,035	1,234,140
ADMINISTRATIVE AND OTHER EXPENSES		(473)	(12)
OPERATING PROFIT	2	304,562	1,234,128
LOSS ON DISPOSAL OF INVESTMENT PROPERTIES		-	(333,283)
NET INTEREST RECEIVABLE AND SIMILAR CHARGES	3	25,898	2,114
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		330,460	902,959
PROPOSED DIVIDEND		-	(11,248,670)
RETAINED PROFIT/(LOSS) FOR THE YEAR	9	330,460	(10,345,711)

**HISTORICAL COST PROFIT AND LOSS ACCOUNT**

REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	330,460	902,959
REALISATION OF PROPERTY GAINS FROM PREVIOUS YEARS	-	10,345,711
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	330,460	11,248,670
HISTORICAL COST PROFIT RETAINED AFTER TAXATION AND DIVIDENDS	330,460	-

All items in the profit and loss account derive from continuing operations.  
There were no gains or losses relating to the year other than those shown above.

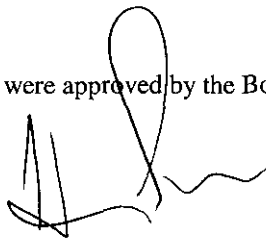
**PILLAR (YORK) LIMITED**

**BALANCE SHEET**

**AS AT 31ST MARCH 2001**

		NOTE	2001 £	2000 £
CURRENT ASSETS	Debtors	5	330,461	38,790,396
CREDITORS (AMOUNTS DUE WITHIN ONE YEAR)		6	-	38,790,395
NET CURRENT ASSETS			<u>330,461</u>	<u>1</u>
NET ASSETS			<u>330,461</u>	<u>1</u>
CAPITAL AND RESERVES	Called up share capital	7	1	1
	Profit and loss account	9	330,460	-
	Revaluation reserve	9	-	-
SHAREHOLDERS' FUNDS			<u>330,461</u>	<u>1</u>

The financial statements were approved by the Board of Directors on 28th September 2001 and signed on its behalf by:



H.J.M.Price  
Director

# PILLAR (YORK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

Accounting Convention	These financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention, as modified by the revaluation of investment properties.
Turnover	Turnover, which is stated net of VAT, is derived from rental income from operations in Great Britain.
Deferred Taxation	Provision is made at the appropriate rates, using the liability method, for deferred taxation arising from timing differences, to the extent that it is probable that a liability will crystallise in the future.
Cash flow statement	Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and the ultimate parent company, which is incorporated in Great Britain, prepares a cash flow statement.
Related party transactions	As the company is a wholly owned subsidiary of Pillar Property PLC, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and therefore has not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Pillar Property PLC, within which this company is included, can be obtained from the address in note 10.

### 2. PROFIT AND LOSS ACCOUNT

Directors' emoluments and audit fees are both nil (2000 £nil). The company has no employees (2000 nil).

### 3. NET INTEREST RECEIVABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Interest receivable	25,898	2,114
	=====	=====

### 4. TAXATION

The corporation tax liability has been reduced to nil due to the receipt of group relief from the ultimate parent company for nil consideration.

### 5. DEBTORS

	2001	2000
	£	£
Amounts due within one year;		
Amount due from parent company	295,344	-
Due on completion of property sales	-	38,500,000
Other debtors	35,117	290,396
	-----	-----
	330,461	38,790,396
	=====	=====

# PILLAR (YORK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

<b>6. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Amount due to parent company	-	37,869,021
Amount due on completion of property acquisitions	-	119,706
Accruals and deferred income	-	801,668
	<u>-</u>	<u>38,790,395</u>
	<u>-</u>	<u>38,790,395</u>
<b>7. CALLED UP SHARE CAPITAL</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Authorised		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Issued, allotted, called up and fully paid		
1 ordinary share of £1	1	1
	<u>1</u>	<u>1</u>
<b>8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Retained profit/(loss) for the year	330,460	(10,345,711)
Opening shareholders' funds	1	10,345,712
	<u>330,461</u>	<u>1</u>
Closing shareholders' funds	<u>330,461</u>	<u>1</u>
<b>9. RESERVES</b>	<b>Profit and Loss Account</b>	
	<b>£</b>	
At 31st March 2000	-	
Retained profit for the year	330,460	
	<u>330,460</u>	
At 31st March 2001	<u>330,460</u>	
<b>10. PARENT COMPANY</b>		
The parent company is Pillar Property PLC, a company incorporated and registered in England and Wales. A copy of that company's financial statements can be obtained from its registered office, Lansdowne House, Berkeley Square, London W1J 6HQ.		